FBIS DAILY REPORT

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CONTADORA DEPUTY FOREIGN MINISTERS MEET IN PANAMA

PA212003 Panama City LA REPUBLICA in Spanish 20 Aug 85 p 24

[By Demetrio Olaciregui]

[Text] An official Panamanian source today confirmed that the Contadora Group deputy foreign ministers have been meeting in Panama City since Saturday to draw up the agenda for the summit of eight Latin American foreign ministers that will be held over the weekend in Cartagena, Colombia.

The four deputy foreign minsters, who have been described as the technical group of the Contadora Group, are also analyzing, under utmost secrecy, the actions that must be taken to conclude the peace efforts that began 31 months ago and that have been brought to a stalemate by the Central American governments' lack of political will.

In the past 3 days, Jose Cabrera of Panama, Ricardo Valero of Mexico, German Nava of Venezuela, and Guillermo Fernandez of Colombia have been studying what the Contadora Group foreign ministers achieved during their July meeting in which they tried to give new impetus to the peace efforts.

In recent weeks, after the inaugurations of Peruvian President Alan Garcia and Bolivian President Victor Paz Estenssoro during which there were meetings of presidents who support the efforts, it has been proposed that a group in support of the Contadora Group's efforts be created. This was also discussed at the meeting of Colombian President Belisario Betancur, Uruguayan President Julio Sanguinetti, and Panamanian President Nicolas Ardito Barletta in Cartagena early in August.

The Cartagena summit that will be held on Friday, Saturday, and Sunday should formally establish the support group for the Contadora Group. The foreign minister of Panama, Mexico, Venezuela, and Colombia along with those of Brazil, Argentina, Peru, and Uruguay will participate in that meeting.

It is possible that in addition to analyzing the Central American situation, they will also hold talks on the possibility of holding a summit of Latin American presidents in Panama if the necessary conditions for this exist, and if there is a favorable climate for such a continental meeting.

PRC MILITARY PRODUCTION DELEGATION VISITS

PY211306 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2223 GMT 20 Aug 85

[Text] Buenos Aires, 20 Aug (NA) -- The Defense Production Secretariat today confirmed that representatives of the PRC corporation that manufactures military materiel, the Northern Industrial Corporation [Norinco], are visiting Argentina at the invitation of the Argentine Military Industries [FM]. A secretariat spokesman emphasized that "the visitors are here to look at the products, but they have not said they will buy anything." An FM spokesman told NOTICIAS ARGENTINAS that the Chinese officials, whose names he did not reveal, "are visiting metallurgical installations, petrochemical plants, and arms factories." He emphasized that this is just a familiarization visit. News media in this city has reported that a PRC mission made up of at least eight officials, including two high-ranking military officers, is visiting Argentina at the invitation of the FM in order to purchase "basic military materiel, ships, and other supplies."

Meanwhile, Hector Bruzzi, the manager of the Argentine-PRC Chamber of Production, Industry and Trade, has admitted that he is aware of the PRC mission's visit to Argentina, but disclaimed any knowledge of possible Argentine military sales to Beijing. Bruzzi indicated that "as far as I know, China has never purchased this sort of materiel from Argentina." He remarked, however, that "for obvious security reasons" this kind of deal is kept secret and is not included in official trade statistics. Bruzzi did not rule out the possibility of increased steel or manufactured product sales to China, and explained that corporations such as Siderca [expansion unknown], the Argentine Steel Industry, Inc, the Argentine Iron and Steel Joint Corporation, and Propulsora Siderurgica sell wire rods, tubes, and pipes to Beijing. He added that these products constitute the second most important type of goods that Argentina exports to the PRC.

ENVOY VIEWS FRENCH STANCE ON FALKLANDS ISSUE

PY211312 Buenos Aires DYN in Spanish 1654 GMT 20 Aug 85

[Text] San Miguel de Tucuman, 20 Aug (DYN) -- Special envoy Hipolito Solari Yrigoyen has said that "the position that France has thus far displayed (on the Malvinas issue) at the United Nations is not in agreement with our foreign policy." He added that President Raul Alfonsin will probably discuss the issue with his French counterpart, Francois Mitterrand, when they meet in Paris next month.

In statements to Radio Independencia, Yrigoyen said that Argentina hopes "all nations of the world, particularly the European nations with which we maintain close ties, like France, will support our demands over the Malvinas." France abstained the last time the issue was voted on.

Yrigoyen said Argentina hopes the United Nations will approve a resolution recommending "that peaceful negotiations be started to solve the problem of sovereignty over the Malvinas and the South Atlantic Islands."

COMMUNIST PARTY'S FAVA PLEDGES SUPPORT FOR CGT

PY210320 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1549 GMT 20 Aug 85

[Text] Buenos Aires, 20 Aug (NA) -- Athos Fava, Secretary General of the Argentine Communist Party, announced today that organization's "full support" for the stoppage and mobilization decreed by the General Confederation of Labor [CGT] for 29 August, and for the 21 points of the alternate socioeconomic proposal made by the labor organization.

Fava made the announcement shortly after noon as he was entering CGT headquarters on Azopardo Street, where he met with the organization's Executive Council. Fava said "the Communist Party will actively participate with all its members to ensure the success of the stoppage and mobilization called for by the CGT for 29 August."

In addition to Fava, the Communist Party was represented by Fernando Nadra, Luis Canay, and Luis Heller, members of the National Secretariat. The CGT was represented by Secretaries General Saul Ubaldini and Ramon Baldassini, and other members of the CGT Executive Council.

SALTA COMMUNIST PARTY OFFICE HIT BY BOMB ATTACK

PY180112 Buenos Aires TELAM in Spanish 0056 GMT 18 Aug 85

[Excerpt] Salta, 17 Aug (TELAM) -- A medium-strength bomb went off at dawn today in the Communist Party office in Salta where a regional meeting of communist leaders was going to be held. The incident took place at 0300 today when a group of individuals hurled a bomb through the vent of an office facing the street. The Communist Party office is located at 222 Islas Malvinas Street, a few blocks east of downtown. The explosion damaged the door of the room where the bomb fell, caused the roof to collapse, damaged the masonry, the furniture, and also an adjoining room where two caretakers were sleeping. Luckily they were not injured.

BORDER POLICE EXPEL SIX CHILEAN RESIDENTS

PY190312 Buenos Aires TELAM in Spanish 1328 GMT 18 Aug 85

[Text] San Juan, 18 Aug (TELAM) -- Six Chilean citizens, who were residing clandestinely in the Andean Department of Calingasta, 145 km west of this capital, have been expelled from the country by the National Border Police. This was made known in a report released by the headquarters of the 10th Group of the National Border Police. The report also indicates that this type of procedure is being carried out regularly in all the areas bordering the Province of San Juan and that the expulsion of people is permitted under Immigration Law No 22,439.

BRIEFS

NATIONAL DEVELOPMENT COUNCIL -- The decree creating the National Development Council was released a few minutes ago. The Council will be headed by Planning Secretary Bernardo Grinspun. The organization will be under the direct orders of President Raul Alfonsin and will coordinate the functions of the various public organizations that will participate in the formulation, implementation, and evaluation of development plans. [Text] [Buenos Aires Domestic Service in Spanish 2300 GMT 16 Aug 85 PY]

EXPORT POLICY COMMITTEE -- The Export Policy Committee was created today and it has been charged with defining the guidelines that are to be followed in the promotion of sales abroad and the coordination of the public sector in this area. It was created by presidential decree and will be headed by President Raul Alfonsin. The economy, foreign relations, public works and services ministers and the secretaries of foreign trade and planning will be its members. [Text] [Buenos Aires Domestic Service in Spanish 2300 GMT 16 Aug 85 PY]

PAZ ESTENSSORO MEETS WITH SOVIET AMBASSADOR

PY211202 La Paz PRESENCIA in Spanish 13 Aug 85 p 6

[Text] Yesterday Soviet Ambassador Arkadiy Glukhov met with President Victor Paz Estenssoro at Government House. The ambassador said that he had come to convey a message of congratulations from the Supreme Soviet and that he and the president had taken advantage of the opportunity to exchange points of view regarding Bolivian-Soviet relations, especially in the commercial and economic field.

Ambassador Glukhov gave President Paz Estenssoro a copy of Mikhail Gorbachev's declaration to "stop the arms race and nuclear testing." The ambassador said that "this is an important decision that seeks to halt the arms race and is a good example to all nuclear powers, especially the United States, to take effective steps to preserve the world peace."

FOREIGN MINISTER RECEIVES DIPLOMATIC CORPS

PY211525 La Paz Cadena Panamericana in Spanish 1130 GMT 21 Aug 85

[Text] On receiving the diplomatic corps accredited to Bolivia, Foreign Minister Gaston Araoz Levy stated that in such critical moments affecting the peoples of the world, especially the developing nations, there is a growing need for international solidarity and an obligation to establish a new more just international economic order.

In a speech he made to the representatives of countries with which Bolivia has diplomatic relations, and of several international organizations, the foreign minister stated:

The task is very difficult due to the critical economic situation, but with the resolute support of the people and the assurance that all negative factors hampering our development will disappear, we will be able to face this great challenge. He added that the Bolivian people feel that their efforts and decision to overcome the difficulties will have the support of friendly countries on all continents, and of international organizations. The Bolivian people have confidence that they will have effective economic and financial cooperation in support of the new policy established by the national government.

The foreign minister also referred to international solidarity. One of the aspects cited by the ministers refers to the maritime problem. We firmly believe in the equality of states and we have confidence in the international law and in the peaceful solution of controversies, he stated.

FOREIGN MINISTER CRITICIZES APARTHEID POLICY

PY210340 La Paz Cadena Panamericana in Spanish 0000 GMT 21 Aug 85

[Text] Referring to the South African apartheid policy, Foreign Minister Gaston Araoz Levy said Bolivia is against any type of racism and that it is against the persistent implementation of a discriminatory system because it violates human rights. The Bolivian foreign minister's point of view is contained in the UN Human Rights Charter that was signed by Bolivia and is in keeping with His Holiness Pope John Paul II's statements before starting his tour of Africa, where he strongly condemned apartheid and all other forms of discrimination.

In statements to the media after a ceremony held at the Foreign Ministry, Minister Araoz Levy said that the Easter Island issue is something that pertains to Chilean sovereignty.

[Paris AFP in Spanish at 0026 GMT on 21 August 85 reports that "the Bolivian Chamber of Deputies today approved a motion requesting the executive branch to break all types of relations with South Africa because of its racially discriminatory policy, which has been condemned by the United Nations. The legislative branch's message requests that Bolivian President Victor Paz Estenssoro and Foreign Minister Gaston Araoz Levy be consistent with the foreign policy adopted by the Bolivian Government regarding international accords. The proposal to break all types of relations with the government of Pretoria was made by Fernando Salazar Paredes, deputy of the Nationalist Revolutionary Movement of the Left (MNRI) and former Bolivian ambassador to the OAS."]

COCAINE FACTORY DISCOVERED IN BENI DEPARTMENT

PY201314 Madrid EFE in Spanish 2247 GMT 19 Aug 85

[Text] La Paz, 19 Aug (EFE) -- Guido Lopez, director of the National Narcotics and Dangerous Drugs Department, today reported that this weekend the Bolivian police discovered a sophisticated cocaine processing laboratory in the jungle of Beni Department. The raid on the cocaine factory, which had the capacity of processing 100 kg [processing time not given] of cocaine, is the first success of Victor Paz Estenssoro's administration in the struggle against drug trafficking since it took office on 6 August.

Interior Minister Federico Kaune reported last week that a large shipment of ether and sulfuric acid, basic components for manufacturing cocaine, were being smuggled in from Argentina and had been confiscated.

A delegation of U.S. representatives led by Charles Rangel visited President Paz Estenssoro a few days ago and asked him to increase efforts in the struggle against drug trafficking. Paz Estenssoro, quoting from his own inauguration speech, told the U.S. lawmakers that Bolivia will do its utmost to combat this illegal business.

In the factory that has been dismantled in the forested area of Beni Department on the border with Brazil, the police seized considerable quantities of technical material, but the manufacturers managed to flee into the jungle when the police helicopters arrived.

COMPARISON OF NEW CABINET MEMBERS' NAMES

La Paz PRESENCIA in Spanish on 7 August 1985 carries on page 1 the text of the decree appointing the new cabinet. A comparison between the La Paz Domestic Spanish version published in the 7 August Latin America DAILY REPORT on pages C 6-7 and the PRESENCIA report shows the two to be identical except for the following:

The name of the minister of finance should read Roberto Gisbert. (changing spelling)

The name of the minister of agriculture, livestock, and campesino affairs should read Mauricio Mamani Pocoata. (clearing queried name)

The name of the minister of information should read Dr Reynaldo Peters Arzabel. (adding matronymic)

PRESIDENT CONCERNED OVER INFLATION INCREASE

PY211543 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 21 Aug 85

[Report from Brasilia by Carlos Rodrigues]

[Text] During the meeting of the government political council held at Planalto Palace, President Jose Sarney once again expressed concern over the latest increase in the inflation rate and the consequences this increase will have on the economy. The president admitted that this month the inflation rate will again be in the two-digit range, that is, above 10 percent.

Deputy Pimenta da Veiga, government leader in the Chamber of Deputies, who participated in the meeting, has explained that the government policy on economic growth foresees a high inflation rate.

[Begin Da Veiga recording] Of course we hope that inflation will drop. The president has made a commitment, a social commitment not to lead Brazil into a recession, because recession means unemployment and hunger. This means that we must learn to coexist with inflation to achieve a minimum annual economic growth. From the report we received today, the inflation rate will increase, but we also have an increasing employment rate and an increase in the purchasing power of the workers' salaries. These are very important factors. [end recording]

Although he admitted that the inflation rate will be above 10 percent, President Sarney did not specify the predicted rate for this month, but economic officials predict an inflation rate between 11 and 12 percent in August.

SARNEY PLANNING CABINET RESHUFFLE AT END OF 1985

PY210017 Rio de Janeiro O GLOBO in Portuguese 20 Aug 85 p 1

[Excerpt] President Jose Sarney is planning an early replacement of the ministers who will run for elective posts in the elections [for Federal Congress, governors, and state assemblies] to be held in November 1986. Although the ministers are scheduled to be replaced in May 1986, the president wants to replace them in December 1985 in order to begin 1986 with a new cabinet. According to a top-ranking presidential adviser, Sarney believes no more than 12 ministers will resign. Therefore, the president will have to make changes in his current team.

MEMBERS OF CONSTITUTIONAL COMMISSION APPOINTED

PY211509 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Aug 85 p 4

[Excerpt] Yesterday Justice Minister Fernando Lyra finally announced the names of the 50 people who will make up the Constitutional Studies Commission. After saying he was sorry that more people could not be appointed, Minister Lyra noted that the studies this Commission will undertake will eventually be submitted to President Sarney who, in turn, will submit them to the people for debate.

Lyra said that the work of this Commission will in no way interfere with the work of the constituent delegates, because these studies are meant to be supplementary aids for those who will write the constitution.

Of the Commission's 50 members, 30 are jurists, lawyers, criminal lawyers, and law professors; according to Lyra, the group is representative of society. The remaining members of the Commission are businessmen, economists, a writer, a historian, a priest, a Protestant clergyman and a physician. Lawyer Floriza Verucci and Rosa Russonamo will represent women, and Jose Francisco da Silva, president of the National Agriculture Workers, will be labor's only representative.

CREDITOR BANKS GIVE EXTENSION FOR DEBT PAYMENT

PY211519 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 21 Aug 85

[Text] Brazil has been granted an extension for the payment of commercial and interbank credits. The IMF has asked the creditor banks to renew commercial and interbank credits which fall due on 31 August 1985. This extension will provide an opportunity to negotiate a new agreement for next year through a new letter of intent.

COCAINE TRAFFICKERS' GANG ARRESTED IN RONDONIA

PY211246 Madrid EFE in Spanish 1358 GMT 20 Aug 85

[Text] Giauara Mirim, 20 Aug (EFE) -- The Brazilian federal police have broken up a gang of cocaine traffickers who operated near the Bolivian border. The gang was part of a ring selling the drug in the United States.

According to police sources, 11 Brazilian drug traffickers have been arrested, 3 of them members of the Rondonia police force. The State of Rondonia borders Bolivia.

Lieutenant Colonel Walter Luis Garcia, Rondonia military police commander, confirmed that policemen Jose Antunes Rodrigues de Oliveira, Alencar Xavier de Camargo, Junior, and Agnaldo Vieira da Lima have links with the gang. The other arrested traffickers are: Walter de Oliveira, Orivaldo Vieira, Mario Ugolino de Araujo, Jair Lea Martins, Valdecir Cordeiro, Nilva Duran Sidon, Otaviano Apolinar Vieira, and Hercilio Woguem Cordeiro.

According to Lt Col Garcia, there is evidence that the gang has links with Bolivian and U.S. drug traffickers, and that it is part of a major ring operating in the region.

BRIEFS

NEW IBC PRESIDENT -- Carlos Alberto Leite Barbosa has been appointed new president of the Brazilian Coffee Institute [IBC], replacing Karlos Rischbieter who resigned. Barbosa was the Brazilian ambassador to Colombia until he was asked to take this new position. [Excerpt] [Brasilia Domestic Service in Portuguese 2200 GMT 19 Aug 85 PY]

PINOCHET ENTOURAGE IN AUTO ACCIDENT; 15 INJURED

PY211628 Santiago Domestic Service in Spanish 1550 GMT 21 Aug 85

[Report from Chillan by Rosa Sanchez]

[Excerpts] A total of 15 people were injured in the accident involving the official delegation accompanying the president of the Republic to Coelemu where they were going to dedicate a bridge.

According to Dr Hector Vacaro, who is on duty at the regional hospital, only 4 of the 15 injured people have arrived. Three of these are seriously injured. They are: Topazo, driver of the vehicle carrying Channel 7 personnel and equipment, and a Carabineros sergeant whose surname is Delvalle.

It has been confirmed that neither the president of the Republic, his car, nor any of his ministers were involved in the accident involving 12 vehicles, according to the first reports. This accident took place on the road leading to Coelemu. The road was reportedly in poor condition. The exact cause of the accident has not been specified. We have been asked to calm the people and to discourage speculations about this accident.

Directorate Issues Communique

PY211635 Santiago Domestic Service in Spanish 1554 GMT 21 Aug 85

[Communique released by the National Social Communications Directorate in Santiago on 21 August]

[Text] The National Social Communications Directorate hereby informs the public that today, 21 August, at 1005, 12 vehicles of the presidential entourage collided 40 km from Coelemu. Poor road conditions are blamed for the accident. The collision left a total of 12 people injured; 11 sustained minor injuries, and 1, cameraman Victor Manuel Martinez, broke his right collarbone. All of the injured are being treated at the Chillan regional hospital.

Under Secretary Injured

PY211650 Madrid EFE in Spanish 1549 GMT 21 Aug 85

[Text] Santiago, 21 Aug (EFE) -- Interior Under Secretary Alberto Cardemil was injured today as a result of a multiple collision involving 12 vehicles of General Augusto Pinochet's presidential motorcade.

Several people were injured in the accident, four of them seriously, according to the local authorities in Chillan, the city from which the motorcade departed. Among the people injured is Interior Under Secretary Alberto Cardemil. The head of state was unharmed and traveled on to Lingue, where he dedicated a new bridge. Gen Pinochet is touring some provinces in southern Chile. Other reports state that one of the cameramen of the state-owned television station, who was traveling with the motorcade, is among the people who were seriously injured. The head of state was completedly unharmed, and continued his trip keeping to his scheduled agenda, Chillan municipal authorities reported. Some of the people injured were transported in Carabineros helicopters to a hospital in Chillan.

PRESIDENT DENIES COUP, POOR HEALTH RUMOR

PY220104 Santiago Domestic Service in Spanish 2300 GMT 19 Aug 85

[Text] President Augusto Pinochet has categorically stated that all the rumors concerning him and his government are totally groundless, and that such rumors have originated from a specific source. The president used these words to answer reporters' questions about a coup that was allegedly in the making. He was even more categorical when he added: I am the only one who could revolt here.

The president also said: There was a rumor that I was sick. I have just undergone a physical exam and it reveals that the situation is quite the opposite. As for the coup, there were rumors and comments, and the people ended up believing that they are true.

The journalists pressed the issue. They asked: Mr President, is everything calm? The president answered: Yes, everything is calm. This is the dialogue the president held with journalists in the city of Los Angeles, where he began a 3-day tour of the Eighth Region:

[Begin recording] [Reporter] Many rumors have recently circulated about your government and about you. We would like to know whether they are true.

[Pinochet] Well, you said it. They are rumors. Those rumors do not have [rephrases] They have some grounds but they are not true. For example, (?it has been said) I am sick. I have just undergone a physical examination and [words indistinct] quite the opposite. Coup rumors circulated on 16 August. And I wonder who would stage a coup. [Words indistinct] uprise? Nobody, because rumors circulate, commentaries are made, and the people end up believing that those rumors (?are true). I am the only one who could revolt here.

[Reporter] Mr President, is everything calm?

[Pinochet] Everything is calm. Now, let me tell you something else. This morning, I read a commentary by one of the many politicians. There are some honorable politicians. [Words indistinct] I imagine he is an honorable politician. At least, I have heard he is honorable. [Words indistinct] this government is to blame for violence and for everything else. Let me tell you that when Mr Frei was in office, banks and supermarkets were held up. And what about the poor stewardess who still has a physical disability? Have they forgotten all this? And when Mr Allende was in office, was (Perez Sofovich) not killed? And were there not also holdups? [passage indistinct] The facts of the matter are that we have become accoustomed to these 10 years of tranquillity and that there has been some relaxation during the last 2 years. This relaxation has given rise to the rumors and to everything else. Look, friends, the country remains under control. There are no problems. [end recording]

President Pinochet spoke as he was heading for the Principal Hotel, where he took a short rest, because he had arrived a little over 1 hour before and had already presided over a civic ceremony at the Los Angeles parade ground. During the ceremony, a crowd, waving placards and signs welcoming the visitor and expressing appreciation, listened to the president.

President Pinochet said the government will continue to adopt realistic rather than populist policies. The government, he said, is doing all in its power to overcome the difficulties affecting the poor and the productive sector. Everyday, he said, new housing subsidies are granted and peasants' land ownership certificates are legalized.

He also referred to the unemployment problem, to which the government has given priority attention. President Pinochet explained that the unemployment rate in the area fell from 13.8 to 6.9 percent between 1982 and 1985. This, he pointed out, is a positive evolution. Those who are blinded by their hatred and their lust for power have refused to recognize all this, he said.

[Begin recording] They are the same politicians of the past, with honorable exceptions. Instead of caring for their fellow countrymen, they promoted struggle among classes, anarchy, and disorder. They are the same ones who, once in power, tried to deliver us to Soviet imperialism by taking advantage of [words indistinct]. The communist groups that promoted civil war were responsible for the shortages, the black market operation, and violence in the countryside and in the factories. And they are now trying to create an atmosphere of agitation and confrontation. They have resorted to terrorism in an attempt to exert pressure, to hinder the country's development, and to prevent our nation from attaining the institutional objectives it has freely chosen.

Those who claim to be democrats, but who lack the necessary strength to act independently and adopt an anti-Marxist stance, are actually helping the communists. This cowardly and politically irresponsible position is detrimental to our country's life and jeopardizes our sovereignty, as long as it promotes Marxist subversion. [end recording]

The president added: Those petty politicians have taken the wrong path. They believe they are living in the same country where demagoguery prevailed and where dirty deals were arranged behind the backs of the people. And they are so credulous as to believe that communists also want democracy. But they have refused to learn the lesson and, consequently, we will have to teach them again. The Chilean people, the Armed Forces, the forces of order, and the Chilean patriots will repeal Marxist aggression and will defend the fatherland from any threat as many times as necessary, he stressed.

The crowd at the parade ground warmly applauded the president's words, despite the cold temperature and the slight rain. Later, the weather improved markedly, and the day became springlike.

After the ceremony, the president went to the hotel, where he took a short rest. He then had lunch with local leaders. On this occasion, the president delivered a speech in which he reiterated what he said in the morning about the struggle against communism and about the need for Chileans to unite to fight this aggressive doctrine. Later, the president dedicated the local mothers centers headquarters and met youth leaders. The first day of the president's tour of the Bio-Bio region concluded with a mass said by Bishop Orozimbo Fuenzalida at the cathederal.

Denounces Communist Activities

PY220224 Santiago Radio Chilena in Spanish 1700 GMT 21 Aug 85

[Text] President Pinochet last night said that those unpatriotic Chileans who have sold themselves to communism should be prepared because we are going to take the most drastic measures. According to unofficial information, these drastic measures will be implemented in the next few hours.

Following are quotes of President Pinochet's statements last night:

I have accepted this invitation extended to me by the National Vanguard, because I understand your desire to become integrated, to participate, to be with the government. This advance you have made throughout the country shows your desire to participate in the country's concerns and problems.

We are faced with a great conflict. Russia, which has not forgiven us for the 11 September 1973 events, has stepped up its actions during the past few months, possibly seeking to lessen the pain that it has been suffering since September 1973. It steps up its actions through subversive, terrorist attacks, and through violence. Therefore, I am convinced that only a man who cherishes nationalist concepts can confront the Marxists' totalitarian aggression.

The president added: I say this because the communist struggle is carried out on an international level. The communist struggle is not only waged against one country, such as the United States. The truth is that the communists have found a tough bone to chew, and that bone is called Chile. It is the bone that bothers the Russians so much that they seek, by all means, to get rid of it because they have been successful elsewhere. They were successful during World War II when they kept half of the European continent; they were successful in Korea, Vietnam, in Cuba, and now in Nicaragua. Here, however, they collided with this stronghold called Chile.

The president then made a statement that has caused great expectations. He said: I request that in the first place we have faith that we will emerge successfully from the Marxist attack. Let us also have faith that those unpatriotic Chileans who have sold themselves to communism are prepared because we are going to adopt the most drastic measures.

The president concluded by stating: I only wanted to get in contact with you, encourage you, participate with you in such a pleasant gathering and tell you, my friends, that we have a mission ahead of us, we have an objective to fulfill, that is, we must implement the steps provided by our Constitution until it is fully in force in 1989. We must also get ready to confront any possible emergency. To confront it with vigor, with high-mindedness, and above all, with a great nationalist spirit.

These statements were made by President Pinochet last night in San Carlos.

Addresses Farmers

PY220340 Santiago Domestic Service in Spanish 2300 GMT 21 Aug 85

[By Rosa Sanchez]

[Excerpts] President Augusto Pinochet has ended his 3-day tour of the Eighth Region with a speech addressed to more than 2,000 farmers of the Bio-Bio area. The president called upon the farmers to improve their knowledge of the Constitution and to defend it, because, he said, the Constitution symbolizes our sovereignty and freedom. The president delivered his speech during a lunch at the (Anasach) agricultural plant in San Carlos.

With large placards, the farmers reiterated their support and appreciation for President Pinochet.

The president thus ended his 3-day visit to the Eighth Region, where his busy agenda included inspection visits, dedication ceremonies, and meetings with local leaders and authorities.

The only regrettable event on the last day of his visit in the presidential motorcade collided, allegedly because of a child running across the road. Nine injured persons were admitted to the regional hospital, while six others have already been released.

CALDAS GOVERNOR, SOCIAL SECURITY DIRECTOR RESIGN

PA210354 Bogota Television Service in Spanish 0000 GMT 21 Aug 85

[Text] Today is the day for resignations. Two other high-ranking officials resigned. Pablo Munoz Gomez, Caldas Department governor, resigned because he has not been able to find a way to settle his disagreements with both Liberals and Conservatives. After talking with Government Minister Jaime Castro, Gomez said he leaves his post because politicians did not eliminate the privilege system in the Caldas liquor manufacturing enterprise.

Olga Duque de Ospina, director of the Social Security Fund, also leaves her post to engage in political activities.

ARMY, GUERRILLA CLASHES CLAIM 13 LIVES

PA212359 Bogota EL SIGLO in Spanish 15 Aug 85 pp 1, 2

[Excerpts] Two soldiers, a policeman, and 10 guerrillas, including 5 alleged Army of National Liberation [ELN] members, lost their lives during armed clashes in Cauca and Norte de Santander Departments and the Arauca national intendancy.

Official Defense Ministry and Army spokesmen reported that the first armed clash took place in Baratillo, Jambalo municipality, northeastern Cauca, in the Central Andes mountain range. Troops from the Jose Hilario Lopez Battalion and the Cauca police overran a camp of the self-styled Ricardo Franco Front, a splinter group of the Revolutionary Armed Forces of Colombia [FARC]. In the ensuing battle two soldiers and a policeman lost their lives, and an Army officer, two soldiers, and two policemen were wounded.

Several casualties were sustained in the ranks of the Ricardo Franco Front, according to military and national police reports, but the bodies were carried off by their companions, who fled into the central Andes mountain range. The lawmen confiscated arms, food, clothing, and field equipment, as well as subversive propaganda and documents considered "secret" by the security forces.

Army spokesmen revealed that a FARC column attempted to ambush a national police patrol in the rural area of El Rosario, Gramalote municipality, Norte de Santander. In the ensuing clash, a male and female guerrilla were killed, and their war materiel and field equipment were confiscated. The police found the body of insurgent Victor Cala Diaz in the mountains. It seems that the body of the woman was carried into the mountains by her companions.

The same official spokesmen reported that five alleged guerrillas of the pro-Castro ELN lost their lives in a violent, prolonged clash with Army troops. The reports state that an ELN column attempted to ambush a military patrol in the vicinity of the Satoca and Bojaba Rivers in Saravena municipality, Arauca. The patrol was carrying out control and surveillance operations at the oil fields.

In the ensuing battle, the Army killed five of the attackers, including the deputy commander of the Domingo Lain Front of the ELN identified by the alias Sepulveda. The other insurgents who were killed were also identified by their aliases: "Martha, Miriam, Sucre, and Restrepo."

Official reports indicate that there were sporadic clashes in the mountains because the guerrillas are fleeing toward the Venezuelan border in an attempt to avoid the authorities.

STRONGEST TREMOR IN DECADE HITS COASTAL AREA

PY212251 Paris AFP in Spanish 1947 GMT 21 Aug 85

[Excerpts] Lima, 21 Aug (AFP) -- Civil defense authorities have disclosed that, as a consequence of the strong tremor that shook some 1,000 km of the Peruvian coast, in the central area, more than 100 persons were injured, 60 houses were destroyed, telephone service was interrupted, and a steel plant was seriously damaged.

The Peruvian Geophysics Institute this afternoon confirmed that Chimbote, a fishing port 412 km north of Lima, was the town most affected by the tremor, registered at 1127 GMT with an intensity of 5.6 degrees on the Richter scale. The Geophysics Institute disclosed that the epicenter was located in the Pacific Ocean, 60 km north of Chimbote, and that it was followed by seven milder aftershocks that were felt until noon. The Institute added that it is the worst tremor that has shaken Peru during this decade.

The tremor was felt from Chichlayo, 742 km north of here, to Chincha, 200 km to the south, affecting Trujillo, Casma, Huacho, Lima, Canete, and several neighboring cities. The tremor also strongly rocked Huaraz, Caraz, and other Andean towns on the Huaylas Mountain Pass, which is currently being visited by a group of tourists and mountain climbers attracted by its snow-capped peaks. No casualties or damages were registered in any of these areas.

President Alan Garcia's government in Lima has ordered the mobilization of the necessary help to aid the wounded and homeless, according to a Government House spokesman.

GARCIA MEETS WORKERS, EXPLAINS ECONOMIC MEASURES

PY210152 Lima EL COMERCIO in Spanish 18 Aug 85 p 5 A

[Text] Peruvian President Alan Garcia yesterday reported that this year's estimated inflation will be around 240 or 250 percent. He indicated that this is an unprecedented level of inflation in the republican history of the country. Garcia explained that this inflation is the result of the vicious cycle in which the nation's economy has been caught as a result of industrial incapacity and the centralization of the nation's affairs in the capital, among other factors.

The president stated that the measures the government has instituted are aimed at preventing inflation and devaluation from worsening the nation's economy and that of the most impoverished sectors. He added that even though these measures are decisive for curbing the crisis, the basic measures of his administration's economic plan have not been released yet.

He announced that the next package of salary and wage increases will be similar to the one enacted recently, that is, primarily favorable for the minimum wages, and that in terms of percentages, teachers will receive more than public employees. The president did not say when the salary hikes would go into effect.

The chief executive made these remarks during a meeting with 48 representatives of workers from various sectors. The meeting was attended by leaders of labor confederations, farmers, representatives of peasant communities, the unemployed, and street vendors. The president spoke for 2 and 1/2 hours. The meeting lasted 6 hours and was held at the Tupac Amar Hall of Government House. The President also said that the government's objective is to bring about changes but amid absolute independence from the imperialist blocs.

He stated the government's intention is to shake off the bondage to Western financial imperialism without surrendering to "the other imperialism." He also explained that the idea is to bring about in-depth social changes without having to supress freedom of expression, opinion, the right to strike, or dialogue, which, according to Alan Garcia, are characteristic of a democracy.

He reaffirmed that the government will not allot more than 10 percent of the nation's income from exports to pay off the foreign debt, but remarked that in doing so, Peru is making it clear that it intends to pay its obligations. "There is a fellow in the Caribbean who claims that our decision to allot 10 percent of our income from exports to pay the debt means we will continue serving imperialism," Garcia said, referring to Cuban President Fidel Castro. He pointed out that it is a matter of taking a close look at the imperialism that each one serves. There are some devil's advocates, Garcia added, who are the best payers of the Western banks, and they tell us that we should not pay. I can prove that there is a Latin American country that has been paying all of its loans to Western European banks on time.

Spokesmen of the labor confederations, the street vendors, and the peasant communities conveyed to the president their support for the measures he has implemented. Julio Cruzado (Peruvian Confederation of Workers) and Wilman Bermudez (Street Vendors Association) were among those who addressed the meeting.

GARCIA CONGRATULATES BOLIVIA'S PAZ ESTENSSORO

PY211329 La Paz PRESENCIA in Spanish 9 Aug 85 p 9

[Text] Peruvian President Alan Garcia has expressed "his wish of cooperating" with the Nationalist Revolutionary Movement government in a letter to Dr Victor Paz Estenssoro. He also explained the reasons he was unable to attend the inauguration ceremonies. The letter, sent 6 August, states:

"Lima, 6 August 1985
"Your Excellency,
"Dr Victor Paz Estenssoro,
"President of Bolivia,
"La Paz
"Dear President and friend,

"I most deeply regret that circumstances related with my direct participation in the implementation of emergency economic measures enacted by my government require my presence in the country and prevent me from attending the ceremony at which Your Excellency will be installed as president of Bolivia. For we Peruvians, who have followed your career as a revolutionary and as a statesman and know your democratic beliefs, it is cause for great satisfaction to witness your installation as president of the brotherly Republic of Bolivia. We are filled with pleasure at the constitutional handing over of government in your country, demonstrating the political maturity and democratic vocation of our brother peoples, who are indissolubly linked by history and geography. I have asked Dr Luis Alva Castro, vice president of the Republic and president of the Council of Ministers, to reaffirm our position and express the determination of my government to cooperate with yours. Your knowledge of our country and its people, dear President and friend, will reassure you of the meaning of this intention. You can be sure of my complete cooperation in promoting the best fulfillment of our common tasks. Unable to do so now, I hope to visit Bolivia soon and to personally convey to you and your people the respect of the people and Government of Peru. Please accept our most sincere and best wishes for a successful administration and for your well-being."

GOVERNMENT ISSUES NEW LONG-TERM OIL BONDS

PA220341 Mexico City XHDF Television Network in Spanish 1955 GMT 21 Aug 85

[Text] The Mexican Government is seeking ways to diversify its financial sources. Early in the year it used treasury certificates. However, the interest rates paid were too high and the maturity terms too short. Therefore, the government has introduced changes in the system: On the one hand, it has released 100 billion pesos in oil bonds; on the other, it is cutting back on the issuance of treasury certificates [CETE].

This week the government issued CETE's totaling 100 billion pesos, an amount lower than that placed on the market over the past several weeks. Interest rates for CETE's have declined. CETE's will pay 68.39 percent at 28 days maturity, a decline of 1.57 points, and 72.33 percent at 91 days maturity, a decrease of 2.01 percentage points. Yasmine Venegas Peralta has more on the oil bond issue:

[Begin recording] As of today Mexican investors will be able to purchase new oil bonds. The National Financial Corporation [Nafinsa] will release the 11th issue of oil bonds today. Their characteristics follow: Each certificate has a nominal value of 10,000 pesos, contrary to the 1,000-peso value of earlier issues. Each oil bond is backed by 1.30 real barrels of crude priced at $26.75 at the controlled exchange market value.

Stock market officials have indicated that the issuance of new bonds will enable the government to finance part of its public spending at advantageous terms because unlike the CETE's, the bonds are long-term notes payable at 3 years maturity, not 3 months like the CETE's.

Nafinsa stated that the new issuance of oil bonds represents an excellent investment opportunity that will yield excellent returns. The issues are public, Nafinsa stressed. Issue 85-1 of the oil bond totals 100 billion pesos. The new oil bond will be available beginning today on the stock market and at Nafinsa offices. The minimum pruchase is 10,000 pesos. [end recording]

COMMERCE SECRETARY SUPPORTS GATT MEMBERSHIP

FL212110 Mexico City NOTIMEX in Spanish 1420 GMT 21 Aug 85

[Excerpt] Mexico City, 21 Aug (NOTIMEX) -- Secretary of Commerce and Industrial Development Hector Hernandez Cervantes has told leaders of the labor congress that Mexico should join GATT.

Secretary of Finance and Public Credit Jesus Silva Herzog has pledged to maintain an open dialogue on the public debt with the labor movement and has announced that in 15 days he and a commission will attend the labor congress to study the debt problem, recognizing that the Federal Government is not necessarily in possession of all truth.

BRIEFS

NEW AMBASSADOR TO SAUDI ARABIA -- The Foreign Secretariat today announced Hector Cardenas Rodriguez has been appointed as the new Mexican ambassador to the Kingdom of Saudi Arabia. He is replacing Francisco Gonzalez de Cosio. [Excerpt] [Mexico City NOTIMEX in Spanish 2310 GMT 15 Aug 85 FL]

GOVERNMENT SUSPENDS NATIONAL DIALOGUE MEETING

PA211756 Panama City LA ESTRELLA DE PANAMA in Spanish 21 Aug 85 pp 1, C 8

[Text] Over the past 3 weeks the national government has made every effort to resume a serious and respectful national dialogue with groups representing the labor, industrial, and agrarian sectors in order to achieve real and positive results. With this in mind, the government called for a working session yesterday, 20 August, to resume the dialogue. The corresponding invitations, an agenda, and a proposed internal by-law for the meeting were issued to those sectors. Both the agenda and by-law were drafted in keeping with agreements reached during talks with the sectors involved in the national dialogue.

The signing of a protocol agreement prior to the final drafting of an agenda and internal by-law is the only way to guarantee the success of the meetings. However, the National Council of Organized Workers [Conato], despite previous agreements with groups participating in the national dialogue, requested the participation of 27 individuals in the working session of the national dialogue. This request was not acceptable to other sectors involved in the national and hindered the achievement of an agreement on the various proposals from different sectors in the dialogue, specifically on the composition of representatives and mechanisms to adopt agreements.

Given that Conato voiced its disagreement to the labor minister on the previously agreed upon by-laws and the agenda presented by the government, and given that appropriate conditions for the resumption of the dialogue do not exist, the government responsibly suspended the meeting convoked for yesterday.

The national government regrets that the dialogue, which it considers of utmost importance in the effort to involve all productive sectors of the country in the solution of national problems, could not be resumed.

The national government reiterates that it will continue to advocate dialogue through contacts with the sectors involved in an effort to reach agreements in order to achieve positive results for the economic development of each sector involved and allow for the establishment of a development strategy.

COCINA LEADER MAURO ZUNIGA KIDNAPPED, INJURED

PA212350 Panama City, 21 Aug (ACAN-EFE) -- A Panamanian opposition leader was kidnapped by two armed individuals today. Two hours later he was found 140 km from where he was kidnapped with several injuries. The victim, Mauro Zuniga, 42, is vice president of the virtually defunct Popular Action Party and leader of the Coordinating Board for National Civilianization [Cocina], which includes several professional opposition groups.

According to reports from his relatives, Zuniga, a physician by profession, was kidnapped while having lunch at a Santiago, Veraguas restaurant, 253 km west of the Panamanian capital. His brother, Carlos Ivan Zuniga, reported that two individuals armed with a pistol and a submachine gun broke into the restaurant and asked for him. When they recognized him, they forced him into a waiting white car.

The doctor was found 2 hours later in the health center in San Felix, a small town approximately 140 km from where the leader was abducted. His brother told ACAN-EFE that the victim has stab wounds and marks from a pistol butt "all over his body." It was impossible to contact the health center where Zuniga is recovering from his injuries.

Zuniga is also president of the Association of Doctors, Dentists, and Related Professionals of the Social Security Fund [Amoacss], the most influential professional medical group. He was in Santiago to meet with local leaders of the organization he heads.

Amoacss is one of the most important member organizations of Cocina, which strongly protested several fiscal measures in December that taxed their professional activities. These measures were later annulled.

Thus far authorities have remained silent regarding this abduction. The identity of the kidnappers remains unknown.

Cocina Calls Protest Strike

PA220240 Panama City Televisora Nacional in Spanish 0000 GMT 22 Aug 85

[Text] Cocina met tonight at the Science Atheneum in Panama City, where it called on all of its member organizations to stage a 24-hour strike to protest the kidnapping of its leader, Dr Mauro Zuniga.

In a communique issued several minutes ago, Cocina leaders state that the attorney general of the Republic is obliged to conduct an in-depth investigation into the abduction.

Meanwhile, reports from David, Chiriqui Province, indicate that the medical examination of Dr Zuniga concluded that the physician received blows to various parts of his body, particularly to the head and his left side. One of the examining physicians told Televisora Nacional that there appeared to be no broken bones, but that the patient was subjected to a complete X-ray examination. Dr Zuniga was cut on an ear and in the chest.

BELIZE

UK GRANT TO FUND AIRPORT RUNWAY EXTENSION

FL211903 Bridgetown CANA in English 1855 GMT 21 Aug 85

[Text] Belmopan, Belize, Aug 21, CANA -- The Belize International Airport runway may be extended and a new terminal built under a British Government grant of 7.5 million pounds sterling, Prime Minister Manuel Esquivel says. Esquivel said the government wanted to extend the runway from 6,300 feet to 8,000 feet, and has submitted the project to London for approval. As a joint project with Britain's Commonwealth Development Corporation [CDC] a citrus project is being considered in the Toledo District in the south of the country. Some agricultural experts here however feel that this area of the country is not suitable for citrus due to the high rainfall. As an alternative the CDC also wants to consider a palm oil production project, Esquivel says.

COSTA RICA

NICARAGUAN AIRCRAFT ATTACK BOCA SAN CARLOS

PA220221 Paris AFP in Spanish 0147 GMT 22 Aug 85

[Text] San Jose, 21 Aug (AFP) -- Costa Rica has reported "another violation" of its sovereignty by the Sandinist Air Force and troops of the Sandinist People's Army [EPS] that was staged on Wednesday in the Boca San Carlos region. Information Minister Armando Vargas Araya said that three Sandinist aircraft "fired several rockets and bombs" at the Boca San Carlos area on the borderline of the San Juan River, "very close to the Civil Guard post" in that area. Vargas Araya said that Costa Rican civil guardsmen opened fire on the trespassing aircraft, "and then EPS soldiers fired at the Civil Guard's positions." The government spokesman said the incident occurred at approximately 1600 and did not result in any casualties. Vargas Araya stated that the Nicaraguan aircraft entered Costa Rica over Delta, in Barra del Colorado, flew over the police station in Boca Sarapiqui, and then launched their attack against Boca San Carlos.

MONGE TO PRESIDE OVER NEW REFUGEES DIRECTORATE

PA212135 San Jose Radio Impacto in Spanish 1830 GMT 21 Aug 85

[Report by (Marita Helmund) from the Presidency in San Jose -- live or recorded]

[Excerpt] The government council meeting did not take place this morning despite the fact that all of the cabinet ministers were at the Presidency, Information Minister Armando Vargas Araya reported. He explained that President Luis Alberto Monge had to attend other meetings, preventing him from heading the government council, and that a ministers council was held instead.

The ministers discussed several topics and exchanged information. Information Minister Vargas reported that during the session the General Directorate for Refugees [Direction General de Refugiados] was created. It will be presided over by the president of the Republic. Deputy Presidency Minister Manuel Carballo Quintana will direct the new office. The refugees directorate will be under the responsibility of the Presidency of the Republic and no longer under the Justice Ministry.

GUTIERREZ ON BORDER INSPECTION, PEACE DOCUMENT

PA212151 San Jose Radio Impacto in Spanish 1830 GMT 21 Aug 85

[Text] Costa Rican Foreign Minister Carlos Jose Gutierrez informed the press this morning that he has spoken with the Contadora Group deputy foreign ministers who met in Panama last weekend to advance details of the possible inspection the Group will conduct on the Costa Rican-Nicaraguan border. The deputy foreign ministers proposed that joint meetings continue to determine the nature of the inspections that will conducted on both sides of the border. However, Foreign Minister Gutierrez said that Costa Rica disagrees with the proposal because the only thing pending is that the actions to be held be coordinated. On the upcoming meeting of the Contadora Group foreign ministers to take place in Cartagena, the foreign minister said:

[Begin recording] I am not fully informed about the plan that the Contadora Group deputy foreign ministers will submit to their ministers in Cartagena on Friday. However, we have stressed that we agree with an inspection and that we will cooperate with it to the fullest extent. We want the inspection to be counducted to prove that there are no anti-Sandinist bases in Costa Rica. We hope tht when the ministers meeting ends -- probably on Monday -- we will have all of the information on the plan for the inspection. [end recording]

Foreign Minister Gutierrez stated that he has no information on a report issued in Panama yesterday that the Contadora Group will submit the peace document to the United Nations and not to the OAS. He said that at this time the forum at which the document will be presented is irrelevant, while it is important that all points concerning the signing of the peace document be clarified.

RODRIGUEZ ON FOREIGN DEBT PAYMENTS, SEMINAR

PA212225 San Jose Radio Reloj in Spanish 1200 GMT 21 Aug 85

[Text] According to the IMF study, Costa Rica's servicing of its foreign debt is the highest in the world totaling 50 percent of its exports, whereas Mexico only allocates one-third of its exports to pay its foreign debt. Other comparative data contained in the study revealed that the burden for servicing Costa Rica's debt totals 22.25 percent of its GNP, whereas Mexico allocates 7 percent.

Enno Rodriguez, minister counselor for the foreign debt, stated that Costa Rica has successfully handled its foreign debt despite the difficulties it has had to face. Rodriguez said that handling the foreign sector has been very difficult because the administration has faced a difficult situation not only at home but also abroad. However, the delicate strategy followed has produced adequate results including the approval of bills that were needed as part of the renegotiation of the foreign debt in order to obtain resources in dollars. As an example, the minister counselor cited the Structural Adjustment Loan [SAL] project, which placed deputies in a tight spot because the project was needed to proceed with plans to adjust the country's economy.

As a result of the difficulties the government has faced regarding the foreign debt due to the delays in approving the SAL, only a few days remain for the country's private banks to make the second payment of $57.5 million. The deadline for making the payment is Friday, when the payment of interest to foreign commercial banks must be up to date, and certification from the IMF is submitted. The difficulties in meeting those requirements stem partly from the fact that several institutions have not delivered the amounts they owe the Costa Rican Central Bank. However, it was reported that the $5 million in interest is manageable, and that the problem can be solved.

Based on Costa Rica's experience in managing one of the highest foreign debts in the world, there will be an international seminar with Central American, Caribbean, and some South American countries to analyze the handling of the foreign debt. Small countries are concerned that international credit organizations treat large and small countries differently, and that the rules are not applied consistently. Therefore, in November there will be a meeting in San Jose to analyze the situation of small countries and to exchange views to obtain mutual benefits.

EL SALVADOR

KIDNAPPED MAYORS ASK FOR GOVERNMENT AID

PA210409 Panama City ACAN in Spanish 0153 GMT 21 Aug 85

[Text] San Salvador, 20 Aug (ACAN-EFE) -- Eight Salvadoran mayors, prisoners of the guerrilla groups since last May, today asked the government to negotiate their freedom and fulfill the rebels' demand that nine of their members be sent to court. In a letter published by the mayors' relatives in a local evening newspaper, the kidnapped officials ask President Jose Napoleon Duarte to heed their call and not forget them completely.

According to the document, the FMLN has demanded that the fighters who are in the Army's hands be arraigned before a competent court or that an official reply be issued concerning their situation before the mayors are released. The following FMLN members have been captured by the security corps and are reported missing: Yaneth Samour, "Commander Filomena," Maximinia Reyes, Edwin Rene Mejia, Carlos Portillo, Gumercindo Cornejo, Marina Guardado, Heriberto Orellana, and Olivia Ramos.

Some weeks ago, five other mayors who are in the rebels' hands published a similar letter, urging the government to resolve their situation, and this has now been reiterated by the eight mayors who signed this latest note. The FMLN carried out a campaign to kidnap mayors last May, after the officials were sworn in to their posts on 1 May. Seventeen officials have been kidnapped -- 1 was murdered, 3 were released some days later, and 13 are still in the rebels' hands. The mayors say in their letter that they do not believe that President Duarte "used us for the electoral campaign, but now that we are prisoners, our plight has been completely ignored." They add that on 14 June, during a military operation in the north sector of eastern Morazan Department, "the area where we are being detained was heavily bombed, and we thought that the plans were to cause our death."

"Some days before this the FMLN had released a former mayor, who must have surely told the Armed Forces about our location," they point out. The letter asserts that the camp where the mayors were being held prisoner "was completely destroyed by the bombing, and it is clear that their intention was to annihilate us, not to rescue us." The letter adds that the government must understand that "the municipal governments can hardly work because the Armed Forces has lost military control in 58 of the 82 municipalities which exist in the eastern zone." The mayors assert that this situation prevails in 26 municipalities of northern Chalatenango Department, and others in San Vicente, Cabanas, and Cuscatlan Departments.

FCER VOWS TO CONTINUE 'PROLONGED PEOPLE'S WAR'

PA220103 Panama City ACAN in Spanish 0049 GMT 19 Aug 85

[Text] San Salvador, 19 Aug -- A dissident rebel group of the Salvadoran guerrilla command specializing in urban actions announced plans today to continue its "prolonged people's war" until it has ousted the government.

In a communique delivered to the news media, the "Clara Elizabeth Ramirez" Front (FCER) states that it has analyzed the present situation in the country and in the revolutionary movement during its "first broad revolutionary meeting."

The first meeting of the FCER hierarchy was held recently somewhere in El Salvador, but no further details were given. During the meeting, the guerrilla group decided to continue the "Prolonged People's War" (GPP) and uphold the original party line according to the communique.

The FCER is a dissident group of the People's Liberation Forces (FPL) to which it still belongs, but without having any organizational ties, the leftist document adds. During the aforementioned meeting, the FCER also decided to call itself the "Farabundo Marti" People's Liberation Forces-Prolonged People's War [Fuerzas Populares de Liberacion "Farabundo Marti"-Guerra Popular Prolongada; Farabundo Marti, FPL-GPP] from now on in order to be different from the other line of that group.

The FCER emerged in 1983 following the death in Managua of the top leader of the FPL at the time, Salvador Cayetano Carpio (Commander Marcial), under confusing circumstances. The leftist communique insists that the FCER feels it is necessary to "give continuity to the strategic line and political program of the original FPL as outlined by Commander Marcial." In this regard, they call on all of the people's sectors so that they "will not continue to lend themselves to the government's maneuvers and will struggle for the true interests of the working masses."

The FCER accused the Salvadoran Government of "trying to destroy the labor union and sectorial movement with the deadly methods of psychological warfare." The FCER has been noted for carrying out urban actions since it began. Salvador Cayetano Carpio was well known for his strong line and opposition to a dialogue with the government for finding a political solution to the armed conflict in the country, according to observers.

FMLN REPORTS RECENT ATTACKS IN CHALATENANGO

PA211651 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 21 Aug 85

[Text] Many guerrilla blows have been dealt throughout the country in the past few hours. Close attention: Traffic continues to be paralyzed throughout 95 percent of the country, and the guerrilla strikes are continuing to increase along the highways. Attention: In compliance with the order issued by our General Command regarding the general traffic paralyzation, the Luis Adalberto Diaz Detachment forces seized control of the Pan-American Highway from the Los Cocos turnoff to the Copinol turnoff. Our forces attacked a military truck carrying 5th Infantry Brigade soldiers. The enemy suffered three casualties; a soldier was killed and two were wounded. We suffered no casualties. This is the report we have received from San Vicente Department.

Attention, attention: Today 20 August at 1530, FMLN guerrilla forces attacked troops in Zapotal, Ojo de Agua jurisdiction. The troops of the dictatorship suffered 10 casualties; 10 casualties inflicted on (Chigorila Perez') [not further identified] troops in Chalatenango. We have learned that the attack caught the troops of the dictatorship by surprise, and they were unable to react. Ten casualties suffered by the enemy in Zapotal, Ojo de Agua jurisdiction, Chalatenango Department.

We have more reports from Chalatenango; more guerrilla blows dealt against (Colonel Chigorila Perez) in Chalatenango. Attention, another ambush was set in Chalatenango. At 2300 on Monday, 19 August, an FMLN guerrilla unit attacked a five military vehicle convoy. It was carrying troops to Chalatenango.

The ambush was carried out near (Partido) Hill, 1 km from the 4th Infantry Brigade headquarters, and near Hacienda Santa Barbara. The ambush resulted in eight casualties for (Colonel Chigorila Perez') troops.

RADIO FARABUNDO MARTI ON LATEST ARMY CASUALTIES

PA210350 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 20 Aug 85

[Text] A total of 69 casualties were inflicted on suffering Ochoa's troops during 2 days of clashes from 19-20 August. Attention, attention: Here are the details on casualties inflicted on Ochoa's troops. A total of 69 casualties were inflicted from 19-20 August as follows: 37 casualties during the clashes at El Barrancon, 6 casualties near Tejutla, 8 casualties during the clashes on the road between the Northern Highway and the city of Chalatenango, 4 additional casualties were inflicted near Ojo de Agua, 10 casualties during an attack on troops near El Zapotal, 3 casualties during an ambush near Totonico, and 1 casualty sustained by the enemy when they entered a minefield in the El Amatillo-Las Vueltas sector. The Azmitia Battalion, the 4th Infantry Brigade's Cayaguanca Battalion, and troops of the 1st Military Detachment are the enemy units which have been hit by our guerrilla units. In addition, the 69 casualties include one lieutenant, one sergeant, and two corporals. We have also destroyed two military vehicles: One was an armored truck that was completely destroyed. During the clashes on the Northern Highway near Los Manguitos, we inflicted a sizeable number of casualties on the enemy.

GUATEMALA

GUERRILLAS, SOLDIER KILLED IN CLASH IN PETEN

PA211838 Guatemala City PRENSA LIBRE in Spanish 21 Aug 85 pp 15, 35

[Text] Santa Ana, Peten -- Army sources have reported that three guerrillas and one soldier were killed in a clash between military patrols and guerrillas here yesterday. Three civilians were seriously wounded. The clash took place at 0945 on km 17 of the road from Santa Ana to Poptun when several insurgents halted several vehicles and searched the passengers. The insurgents were immediately surrounded by military forces stationed in the area. As a result there was an intense exchange of gunfire for more than 2 hours. Three guerrillas, including a woman of about 18, were killed. A military spokesman said that the guerrillas could not be identified because none carried documents. The wounded civilians who were passengers on a bus were identified as Lucrecia Alvarado, Arnulfo Montenegro, and Porfirio Elias. They were taken by Army ambulance to the regional hospital. It was reported that the several rebels were wounded since bloodstains were found in the area where they fled to nearby mountains.

The Army seized one Galil rifle, two M-16 rifles, one pistol, hand grenades, and personal supplies of the insurgents. The dead guerrillas were buried at the site of the clash. The dead soldier's body was returned to his hometown. The Armed Forces lament the death of one of their members who fought to eradicate insurgency in Peten Department.

FAR CONDEMNS UPCOMING NOVEMBER ELECTION

PA211827 Guatemala City PRENSA LIBRE in Spanish 21 Aug 85 p 4

[Text] The new government that will be elected on 3 November 1985 will openly align itself to the U.S. Administration's Central American policy, the Rebel Armed Forces [FAR] said in a message released yesterday.

The FAR described the elections as a "plan to legalize a repressive, counterinsurgent, undemocratic, and unpopular government." The message added that the FAR Command believes that "a democratic government cannot emerge from the militarymen."

The message stated that "the condition imposed by the U.S. Government for the resumption of large amounts of economic and military aid is the establishment of a Guatemalan Government that will contribute to the plans for the destruction of the Sandinist revolution and the Central American revolutionary movement."

HONDURAS

NICARAGUA'S TINOCO ANSWERS NOTE ON RAID

PA210439 San Pedro Sula TIEMPO in Spanish 20 Aug 85 p 9

[Letter from Danilo Abud Vivas, Nicaraguan ambassador to Honduras, to Jose Tomas Arita Valle, acting foreign secretary, transcribing a note signed by Victor Hugo Tinoco, Nicaraguan acting foreign minister, and addressed to Arita Valle -- capitalized passages as published]

[Text] Mr Minister: I have the honor of addressing myself to Your Excellency to transcribe the text of a note sent by the Nicaraguan Foreign Ministry. The note is self-explanatory. Tegucigalpa, 19 August 1985. This is the note:

MR MINISTER: I hereby address myself to Your Excellency regarding your note No 369-DA dated 16 August 1985 reporting an alleged raid by a Sandinist People's Army [EPS] patrol into Honduran territory, specifically at La Laguna. According to your note, an incident occurred, as the result of which a Honduran Army sergeant was killed, and a soldier was wounded.

Right after that, this Foreign Ministry transmitted Your Excellency's note to the Nicaraguan Armed Forces so that an investigation aimed at clarifying such a report could be initiated. An investigating commission was formed. Once the investigation is concluded, its results will be immediately relayed to the Honduran Government. Nevertheless, we deem it necessary to report to you about the presence, in the sector mentioned, of mercenary groups financed and directed by the U.S. Government's CIA. This provokes constant tension because these mercenary groups try to bring about incidents between the two countries and aim at fostering the generalization of the conflict in Central America. Nicaragua is not at all interested in having any incidents with the Honduran Army because our country's constant concern is to procure peace in the region and achieve a peaceful, negotiated solution to the current Central American crisis. In order to clarify this situation in a more speedy and timely way, as well as to prevent incidents at the common border, Nicaragua feels that it is necessary to have communication between the military leaders at the border.

YOURS TRULY,

VICTOR HUGO TINOCO, ACTING FOREIGN MINISTER

Yours very truly,

DANILO ABUD VIVAS, Nicaraguan ambassador to Honduras

GOVERNMENT DENOUNCES UPSURGE IN 'DESTABILIZATION'

PA220213 Panama City ACAN in 0133 GMT 22 Aug 85

[Text] Tegucigalpa, 21 Aug (ACAN-EFE) -- The Honduran Government charged today that there has been an increase in radical, communist, and extreme right-wing groups in the country's political panorama. A communique released today by the Secretariat of Press and Information Office of the Presidency notes that the "escalation of destabilization" tends to "drag the country into social deterioriation."

Those responsible, the document indicated, are "radical groups and tentacles of international communism and of the extreme right wing, which recently lost their power privileges." The government linked these "destabilization groups" to the association of interns who have been on strike since Monday demanding wage raises. The communique also describes the attack on the National Children's Institute, which was staged yesterday by four armed men with submachine guns who made off with $62,000, as part of the "destabilization."

"It is obvious that the attack on the National Children's Institute and other incidents, which have been detected in time by the state security corps, are facts that point to a sole purpose of destabilization," the communique added. The destabilizers, the document added, seek to "thwart the electoral process that will permit Honduras to continue within the context of world democratic nations this November." The government of Roberto Suazo Cordova warned that the Army and the state will guarantee Hondurans permanent vigilance to ensure that the constitutional rights of citizens are not violated.

U.S. PRIEST RELEASED TO CHURCH OFFICIALS

PA211357 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 21 Aug 85

[Report by Napoleon Mairena]

[Text] Father John Donald, a 62-year-old Jesuit priest who was arrested by the military authorities in Saba and was taken to a U.S. military installation and then to the 4th Infantry Brigade, has been turned over to the church authorities. Msgr Andres Rodriguez witnessed this action. Donald is now with the Tegucigalpa church authorities. It was reported last night that he might be leaving for the United States today.

NICARAGUA

PRESIDENT ORTEGA MEETS WITH COLOMBIAN BUSINESSMEN

PA211635 Managua Radio Sandino in Spanish 1200 GMT 21 Aug 85

[Text] President Daniel Ortega Saavedra met last night at the Cesar Augusto Silva Convention Center with a group of 25 Colombian businessmen who are visiting Nicaragua. The delegation, headed by a former finance minister and representative of Colombia's ceramics industry, has come to see the advances the country has made since the revolutionary triumph, and to confirm the difficult situation the country is experiencing due to the imperialist aggression. Present at the meeting were Foreign Trade Minister Alejandro Martinez Cuenca and Deputy Foreign Minister Jose Leon Talavera. The Colombian businessmen, who during their visit met with diverse sectors in the country, will leave this morning for Cuba.

ASSEMBLY ON MEETING WITH COSTA RICAN COUNTERPART

PA210338 Managua Radio Sandino in Spanish 0000 GMT 21 Aug 85

[Text] With 68 votes the National Assembly today approved a statement advocating a meeting between the presidents of the Nicaraguan National Assembly and the Costa Rican Legislative Assembly. The statement proposes that the meeting take place on the common border in the presence of parliamentary delegations from the two countries. The meeting is viewed as a contribution by the two assemblies to the preservation of peace and friendship between the two sister peoples. In the resolution, the lawmakers also expressed support for any action to promote rapprochement and establishment of close friendship ties between the legislatures of Costa Rica and Nicaragua.

In an attempt to distort the role of the National Assembly, Manuel Ignacio Gutierrez, representative of the Independent Liberal Party [PLI], presented a motion for the Assembly to discuss the resumption of the national dialogue, which was suspended late last year due to the intransigence of the Nicaraguan Democratic Coordinating Board's party. National Assembly President Commander Carlos Nunez Tellez responded by saying:

[Begin recording] To make a proposal here on the efforts that should be made by the National Assembly without attention to the nature, traits, and representativity of this assembly is either malintentioned, politically motivated, or simply a deviation from the matter we are discussing. I believe the second is true. I am surprised that Dr Gutierrez, whom I deeply respect, is deviating from the proposal to respond to the positive stance of the Costa Rican legislators to discuss the national dialogue. This leads us to believe that one or several political parties are attempting to make the National Assembly a gravitation center where all opportunities will be seized, even if the topics are not appropriate, to attempt to pressure the government or other parties that disagree with a thesis promoted by a given political party.

To follow such a method or style would be to violate the role of the National Assembly or attempt to impose political positions on it that are clearly outside its jurisdiction, unless the seven political parties legally represented here decided to address topics outside parliamentary interests either because they are directly linked to the national life or the war, or if, as responsible parties that decided to strengthen civic positions, we decided that it is our duty to address this topic and meet to express our concerns. However, this would be restricted to those parties that are represented at the National Assembly. [end recording]

The National Assembly approved the extension of the amnesty law until 19 July 1986 by a wide margin. The proposal introduced by President Daniel Ortega was approved by all legislature representatives except the representative of the Marxist-Leninist Popular Action Party. Eduardo Molina, representative of the Democratic Conservative Party of Nicaragua, presented a motion to leave the amnesty law in force for an indefinite period of time. This motion was voted down by most of the representatives. Eduardo Coronado of the PLI said that the amnesty law is an instrument to attain peace, although he admitted that alone it does not suffice.

Discussion on Amnesty Law

PA211648 Managua Radio Sandino in Spanish 1200 GMT 21 Aug 85

[Text] The amnesty law proposed by President Daniel Ortega was approved yesterday at the National Assembly's ninth ordinary session by a large majority.

Arguing juridical reasons, Carlos Cuadra of the Marxist-Leninist People's Action Movement, voted against the law. Meanwhile, Eduardo Coronado of the Independent Liberal Party supported the law, saying that although it is not enough it could lead to peace.

Luis Sanchez of the Socialist Party of Nicaragua [PSN] supported the law saying that the PSN agrees with it because it contributes to peace. Sanchez shared the opinion of Eduardo Molina of the Democratic Conservative Party, who proposed that the amnesty be indefinite. However, he was defeated by the majority of the legislators. FSLN representative Flor de Maria Monterrey and National Assembly President Commander Carlos Nunez said that the amnesty cannot be indefinite as long as White House support of the Somozist mercenaries continues.

U.S. EMBARGO AFFECTS AGRICULTURAL SECTOR

PA211749 Managua Radio Sandino in Spanish 1200 GMT 21 Aug 85

[Text] The sum of $140 million in credits and supply agreements will be alloted by the Agricultural Development and Agrarian Reform Ministry Federal Directorate of Technical-Material Supply for the purchase of raw materials, replacement parts, and machinery for the agricultural sector.

The impact of the trade embargo decreed by the U.S. Government is mainly affecting the purchase of hybrid sorghum seed, which was previously imported only from the United States. Despite this, the Supply Directorate is making great efforts to fulfill the 1985 import plan. This year U.S. suppliers received special licenses from the Treasury Department to export sorghum seed from the United States. At the same time contacts have been signed with France to develop hybrid varieties obtained through joint experiments with African states.

Some European products can be substituted for the fungicide products for which we have not yet found other alternatives. Herbicides can be purchased from other countries; some have already been supplied by European branches of U.S. firms. The same has happened with insecticides.

With regard to replacement parts, the sector most affected has been the cotton mill sector, of which a national inventory has been carried out and efforts are being made to find parts in other markets. Parts for harvesters are also difficult to find because in the past these were supplied exclusively by the United States. Efforts are being made to import them through third party agreements with other friendly countries.

The agricultural aviation sector is facing a similar situation because there are several U.S.-made airplanes that cannot be used. Last year, however, 17 Polish airplanes were purchased, and 20 motors have been procured for installation in the U.S.-made aircraft. The agricultural air fleet will be completed with the importation of French airplanes, which will fulfill the country's agricultural fumigation needs.

Fishing Also Affected

PA212112 Managua Radio Sandino in Spanish 1200 GMT 21 Aug 85

[Text] The Nicaraguan Institute of Fisheries [Inpesca] reported that the country's fishing activities have been seriously affected by the U.S. Goverment-imposed trade embargo because the industrial plans were installed with U.S. equipment and technology.

Inpesca added that the commercial embargo has immediately affected fisheries production due to a lack of spare parts. This situation will continue until new suppliers are found. Despite sabotage actions, the seizure of vessels, and the mining of Nicaraguan ports, sales to the new Canadian and European markets have resulted in $22 million in revenue for the 1985 export plan. Nevertheless, $3 million has been lost annually through exports.

CABEZAS CITED ON REVOLUTION'S ACHIEVEMENTS

PA212006 Managua Radio Sandino in Spanish 1750 GMT 21 Aug 85

[Text] Our war against the counterrevolutionary army has already cost us 10,000 dead since the triumph of the Sandinist revolution. This represents a great sorrow for such a small country like Nicaragua even more so because there are no prospects for immediate peace. This was stated by Commander Omar Cabezas in an interview published today by the Mexican newspaper UNOMASUNO. The main sorrow of the Nicaraguan revolutionaries, he added, is the fact that more has not been done in the 6 years of Sandinist revolution. Despite the incredible achievements reached by Nicaragua in the past year amid a constant war of aggression, it is sad to think that the defense expenditures consume what could and should be invested in the construction of schools, hospitals, roads, and power lines, the revolutionary leader stressed.

MILITIAS' ACTIVITIES IN JALAPA REGION REPORTED

PA220347 Managua Radio Sandino in Spanish 0000 GMT 22 Aug 85

[Text] The people's militias and the youths of the Patriotic Military Service have delivered heavy blows to the counterrevolution in the sectors of El Jicaro and Murra. Jaime Zamora, our correspondent in the area, submitted the following report:

[Begin recording] Over 20 counterrevolutionaries have been killed in the past month in the sectors of El Jicaro and Murra by the Sandinist People's Militia and youths of the Patriotic Military Service, according to information from Gustavo Navarro, chief of Battalion 3141. He reported that on 18 July in a clash near the community known as Muyuca, near El Jicaro, the counterrevolution suffered 12 casualties. In this clash, militiamen Victor Caliz, Julio Salcedo, Jose Rosquete, and Arnaldo Maradiago were outstanding.

On the same day, he added, peasant militias from the communities of Las Mercedes and Las Uvas fought against the mercenary bands in El Arado Grande, Renacuajo, and Sacalis killing six contras. In these actions, fighters Reinaldo Martinez, Manolo Colindres, Pedro Pablo Centeno, and Roger Andino were particularly outstanding. During this same day, Navarro continued, militias from Matiguas killed five other mercenaries. In these clashes, the Sandinist militias seized 1 RPG-7 rocket launcher, 1 G3 rifle, 19 AK rifles, 2 M79 grenade launchers, 100 hand grenades, 10 knapsacks, and ammunition. This was a report from Jalapa in Region 1 for Radio Sandino listeners. [end recording]

PLI TO PRESENT VIEWS ON NATIONAL CONSTITUTION

PA211953 Managua Radio Sandino in Spanish 1200 GMT 21 Aug 85

[Text] On the 28th of this month the Independent Liberal Party [PLI] will present its views on what the constitution that will govern the country should be to the special commission for constitutional affairs.

Yesterday, Eduardo Coronado, first PLI deputy coordinator, denied rumors that his party will abstain from appearing before the constitutional affairs commission. The PLI, within its views on the future constitution, promotes a state with a mixed economy and pluralism, basic postulates of the constitution approved recently by the special commission.

Godoy on Parties' Situation

PA210355 Managua LA PRENSA in Spanish 19 Aug 85 pp 1, 12

[Text] The possibility that the genuine opposition political parties will be able to improve their situation is scant, and there will come a moment when some of these parties will yield to the government's party, some will die out from lack of support, and some will be liquidated. This is what Virgilio Godoy Reyes, president of the Independent Liberal Party, PLI, said yesterday, Sunday, in Masatepe, Carazo Department. Godoy went to Masatepe to attend a political seminar, during which some 150 party members in Carazo Department had the opportunity to exchange views and experiences.

The speakers were Julia Mena, who talked about the fundamental principles of liberalism as opposed to totalitarianism; Agustin Acevedo, who lectured on the development of liberalism in Nicaragua; and Godoy, who referred to the country's deterioration since 1979, the year in which the Nicaraguan people defeated the Somozist dictatorship. He also talked about the lack of confidence of the independent businessmen, "who expect at any moment to have an order of expropiation or confiscation delivered to their homes."

The people are not investing because they do not have any confidence in the authorities, who have totally disregarded the three basic principles of the revolution: mixed economy, political pluralism, and nonalignment. After going into detail about these aspects, Godoy said that the situation of the political parties, which the FSLN so strategically termed "pluralism," remains without variations and there will come a time when some parties will yield to the government's party, some will be dissolved, some will die out for lack of support, and others will be liquidated.

About the nonalignment principle, Godoy said: It is true that we divorced ourselves from the United States, but then we went and joined the Soviet bloc. He said that it has become a common practice to consider a friend of their enemies an enemy. "Nicaragua has become part of an axis of interests conditioned by the big powers," Godoy said. "However, ours is a crisis among Nicaraguans, a domestic crisis, not a big powers crisis," he added.

Godoy pointed out that while the FSLN is demanding a dialogue with the United States and with Costa Rica, it refuses to hold talks with Nicaraguans. They seem to disregard the fact that this is a problem among Nicaraguans, a domestic problem, Godoy pointed out. He said: Nicaragua is going to need some $1.2 billion to meet the country's basic needs and exports will not produce enough money, not even to pay the interest on the foreign debt. Right now, we need $400 million to buy food and many more millions to meet other needs of the Nicaraguan people.

The regime is supporting a motion of not paying the foreign debt. This is not the right thing to do, especially when the Nicaraguan authorities are trying to obtain new loans. In other words, on one hand they refuse to pay the foreign debt, and on the other they are trying to obtain loans.

Godoy said that the national dialogue is still the civic means of accelerating the peace process, which chaos and war are trying to overtake.

The last speaker at the PLI seminar in Masatepe was Salvador Gaitan Fonseca, whose topic of discussion was: liberalism and the law -- the evolution of law from the liberal viewpoint and its interpretation until we reached the constitutional system we are trying to establish in Nicaragua.

SOCIALIST PARTY SUBMITS CONSTITUTIONAL PROPOSAL

PA220323 Managua EL NUEVO DIARIO in Spanish 20 Aug 85 pp 1, 7

[Text] Yesterday, the Nicaraguan Socialist Party [PSN] submitted to the National Assembly's special constitutional commission its plan for the new constitution, stressing the establishment of a "fifth" power, which would be the court of constitutional guarantees, entrusted with seeing that the laws passed by the National Assembly are complied with. During a 2-hour long speech Luis Sanchez Sancho, PSN Political Commission president, accompanied by Gustavo Tablada, Jose Luis Medina, Juan Gaitan, and Adolfo Everts, all PSN directors, explained how the Socialists view the new constitution.

In his opening statement, Sanchez said that later the PSN could add more points to its constitutional plan, while pointing out that for the first time since Nicaragua's independence the political parties and the people can participate in the drafting of the new constitution of the Republic. The concept that the Socialists have of the new constitution has been defined in the PSN document as democratic for a revolutionary society. They also set forth in the document that democracy should prevail in the social, economic, and political aspects of the new constitution.

Sanchez said that his party would like to see elections held periodically, and that it is in favor of political pluralism, a mixed economy, nonalignment, and the defense of the country's sovereignty. The new constitution should establish all of this, he added. In its document the PSN suggests that the constitution should clearly establish that Nicaraguans have absolute freedom of thought and religion. It also says that the state should be secular and that the Armed Forces should stem from the people and be patriotic.

Sanchez also said that the PSN supports the country's division by regions with departments and municipalities, and also the Atlantic coast autonomy. The regions should have a delegate from the Presidency, and, in the departments and municipalities, mayors elected by the people. Sanchez said that the PSN sees the president of the Republic as the head of the executive branch who should comply with the constitution as the head of state, and see to it that the rest of the people do the same. The Socialists also say that the president should be the commander in chief of the Armed Forces.

For the Socialists, in their constitutional draft the four traditional branches should be maintained: executive (president and vice president), legislative (National Assembly), judicial (Supreme Court of Justice) and electoral (Supreme Electoral Council). However, the PSN suggests the creation of a fifth branch formed by the court of constitutional guarantees that would safeguard the laws issued by the National Assembly and be comprised of seven members.

The PSN also proposes the establishment of a superior economic council in which all productive sectors of the country will participate, and which would regulate production and productivity and find solutions to the nation's economic problems. Sanchez said that his party supports the existence of five types of property: private, state, cooperative, mixed, and family or personal.

Yesterday, the PSN also suggested the need to appoint a permanent commission of the National Assembly to hold special sessions during the Assembly's recess.

This commission should not take away the right to legislate from the president of the Republic, said Sanchez.

The National Assembly's special constitutional commission will continue to receive proposals from political parties tomorrow, Wednesday, when the opposition party, the Popular Social Christian Party, submits its constitutional plan. An important detail of the PSN proposal regarding the new constitution is that after the National Assembly approves the new constitution, it should be submitted to the people in a referendum to learn their opinions.

Meanwhile, National Assembly President Carlos Nunez was satisfied over the proposals submitted by representatives of the socialist and conservative parties, who have shown responsibility and maturity, as well as a profound knowledge of the nation's reality. Commander of the Revolution Carlos Nunez said that they will continue to receive proposals on the constitution from the other parties, even from those that did not participate in the elections. Nunez said that any organization can submit proposals on the Republic's new constitution in writing or directly to the National Assembly's special constitutional commission.

PCDN PRESENTS DOCUMENT ON NATIONAL CONSTITUTION

PA212335 Managua EL NUEVO DIARIO in Spanish 20 Aug 85 pp 1, 7

[Text] The Democratic Conservative Party of Nicaragua [PCDN] delivered a document containing its views on the new constitution to the National Assembly's special constitutional commission yesterday. The 34-page document describes the constitution as a set of principles based on the present social structure, following the defeat of the Somozist dictatorship, and representing a new legal order that is revolutionary and genuinely Nicaraguan.

The document states that the new revolutionary legal order is what we know as the political constitution of the Republic of Nicaragua, and, although it is not exactly perfect, it is the structure we now have as a result of historical change.

The PCDN document also suggests that the new political constitution of the Republic keep the basic structural principles of the constitution we have, for instance: the fundamental statute; the statutes on the rights and guarantees of Nicaraguans; the law of appeals for freedom and personal security; the law of appeals; the political parties law; the electoral law; the law on nationality; the Patriotic Military Service law; the immunity law; the legal status law; the National Assembly's general bylaws; the housing law; the agrarian reform law; the law on cooperatives; and others related to the presidency of the Republic, the Justice Ministry, the comptroller's office, and the state's administrative division.

The PCDN document also says that everything referring to these laws should be included in the new constitution, plus the improvements and other contributions resulting from the discussion of the bill.

The PCDN feels that the constitutional principles approved on 22 October 1984 during the political parties meeting should also be included in the new constitution. Some of these principles are: the electoral process, the freedom of the press, the freedom of expression, the freedom to organize, the freedom to move about, trade unions freedom and democratization, and political and religious freedom.

Another issue that should be incorporated into the new constitution is the election of municipal authorities, whose autonomy should not interfere with the central government.

According to the PCDN, a community organization for social development should also be considered a positive contribution to the new constitution. Judicially, the document suggests the need to establish mechanisms to make habeas corpus writs and law enforcement more efficient.

In addition to this, the PCDN feels that the new constitution should have an entire section for the public defender department, whose mission is to see that administrative tasks are properly carried out and to safeguard the people's interests, which together with the legislative branch could share in controlling executive branch activities.

The PCDN would also like to see economic dispositions, which will benefit the majority of the population, and industrialization using our raw materials included in the Republic's new constitution. It also suggests the elimination of the cartels and trust monopolies, the promotion of cooperatives, and the revision of the concessions granted for the exploitation of the country's natural resources.

Regarding the social aspect, the PCDN suggests inclusion in the new constitution of absolute respect for private property, excluding the expropriation for public and social interest; civil service for the stability of public employees; the establishment of the judicial career, with an adequate budget to give the judicial branch full independence; a general agrarian reform law; and the right of parents to see that their sons are taught religion in public and private schools according to their own beliefs.

For the political aspect, the PCDN is opposed to any agreement, deal, or form of collaboration with any type of dictatorship, and participation in any plan with obsolete minority groups. The PCDN document proposes the establishment of a unitarian state based on the administrative autonomy of the municipalities and regions, and that the functions of the executive, legislative, and judicial branches remain centralized. The PCDN also considers the establishment of constitutional and administrative tribunals to which the citizens can resort to denounce any action by the government.

The PCDN suggests the establishment of a state in which all of the country's sectors can fully participate, and a state in which the policital parties can practice pluralism and can carry out their activities without any problem if they respect the constitution and the laws. The PCDN proposes a presidential election system of direct voting, as in the past elections, which should be republican, democratic, representative, and alternative.

Regarding the agrarian system, the PCDN realizes the social aspects of the law, but states that the system should also establish guidelines for and the amount of indemnification to the original owners.

On the implementation of the constitution, the PCDN feels that cases of unconstitutionality as established in the constitution should be submitted for the consideration of the Republic's constitutional tribunal. In the event this tribunal is not appointed, the PCDN feels the Supreme Court of Justice should assume these duties.

Edwin Iyescas, coordinator of the PCDN Constitutional Commission, said that all of the country's political, economic, and social sectors should participate in the dialogue on the new constitution. Meanwhile, Rafael Cordova Rivas, who feels that the National Assembly's special constitutional commission has drafted a truly democratic constitutional bill, said that the PCDN document is a positive contribution to the bill.

The PCDN document was drafted by Rafael Cordova Rivas, Santiago Rivas Haslan, Bernardo Zuniga Montenegro, Eduardo Molina Palacios, and Edwin Iyescas Salinas.

PLC NOT TO PARTICIPATE IN CONSTITUTIONAL TALKS

PA212243 Managua Radio Noticias in Spanish 1200 GMT 21 Aug 85

[Text] Ignacio Miranda, a delegate of the Constitutional Liberal Party [PLC], revealed that his party will not participate in the national constitutional consultations.

[Begin Miranda recording -- in progress] ...PLC has decided not to participate in the consultations for the draft political constitution. A memorandum was sent to the Ramiro Sacasa Guerrero Democratic Coordinating Board [CDN] stating this and urging all of the other parties comprising the board to adopt the same attitude. In its message the PLC states that if the CDN or any of its members agree to cooperate in the preparation of the draft constitution; this would contradict the attitude that has been maintained throughout the electoral process, and be an act of political clumsiness that would soil the CDN's deserved prestige. This consultation has been organized for mere propaganda purposes in the useless attempt to legitimize a process that has been illegal from beginning to end. [end recording]

PSC FAILS TO AGREE ON CONSTITUTION CONSULTATIONS

PA212045 Managua Radio Noticias in Spanish 1200 GMT 21 Aug 85

[Excerpt] The Social Christian Party [PSC] debated until 0030 hours without reaching a consensus on whether it should participate in the national consultation on the constitution. Dr Julio Ramon Garcia comments on his party's viewpoints.

[Begin recording] [Words indistinct] the PSC National Directorate following a lengthy, lively session, and taking into account that it has until 31 August to request an audience for that purpose, decided not to make a decision yet because, I repeat, there is still time left. However, we did agree to continue working on our own draft political constitution, which will be revealed to the Nicaraguan people through public meetings, open forums, visits to homes, and other civic activities to collect signatures for this project in order to present it to the corresponding legislative organ for approval. Those are the two decisions made by the party's directorate. [end recording]

BRIEFS

SWEDISH ASSISTANCE -- Javier Moncada, deputy government delegate, reported that the construction of the cardboard manufacturing plant donated by the Swedish Government and people will be initiated this week in Rivas, in the Fourth Region. He also said that a Swedish brigade will build 100 classrooms, also financed by Sweden, as part of this country's support for the Sandinist revolution. [Summary] [Managua Radio Sandino in Spanish 1200 GMT 21 Aug 85 PA]

RAMON CASTRO CONCLUDES 10-DAY DPRK VISIT

FL210158 Havana Domestic Service in Spanish 1824 GMT 20 Aug 85

[Text] After a 10-day visit to the DPRK, the Cuban delegation headed by Ramon Castro Ruz has left Pyongyang. The Cuban National Labor Hero and his companions were seen off at the airport of the capital by Vice Premier Chong Chun-ki, Vice Minister of Foreign Affairs Chon Yong-chin, and other officials. Cuban Ambassador Ricardo Danza was also present.

The Cuban delegation met with Vice Minister of Defense Lieutenant General Pak Chung-kuk, who sent fraternal greetings to Army General Raul Castro, FAR minister, and to all the FAR officers and men. This high-level official expressed his gratitude for the effort that Commander in Chief Fidel Castro is making personally to favor the unification of Korea, and stressed the ties of solidarity that exist between the armed forces of the two countries.

During a visit with Minister of External Economic Affairs Chong Song-nam, the delegation headed by Ramon Castro exchanged viewpoints on the future development of economic, scientific, and technical cooperation between Cuba and the DPRK. The minister congratulated the Cuban National Labor Hero for his country's notable success in promoting the cattle industry and reiterated the DPRK's interest in increasing mutual cooperation in economic fields. At the end of the meeting, Vice Premier Chong Chun-ki, candidate member of the Political Bureau of the Korean Workers Party Central Committee, gave a farewell banquet for the Cuban delegation. Chong Chun-ki underscored the fact that Ramon Castro's visit will contribute to the development of bilateral relations. The director of the Valles de Picadura Genetic Plan, Ramon Castro, expressed his thanks for the many attentions received from the Korean authorities.

JUSTICE MINISTER TO ATTEND UN CONGRESS ON CRIME

FL211814 Havana Domestic Service in Spanish 1600 GMT 21 Aug 85

[Text] Dr Juan Escalona, Central Committee member and justice minister, last night departed for Italy where he will participate in UN's seventh congress on crime prevention and treatment of delinquents.

Moments before leaving, Escalona told the press that the congress will allow discussions of the crime problem within the context of development. In fact, the report Cuba is submitting deals with the present economic situation in underdeveloped countries, specifically in Latin America, and how this economic situation encourages crime, he said.

ECONOMY TO EXPAND DESPITE WORLD CRISIS

PA211634 Havana International Service in Spanish 0000 GMT 21 Aug 85

["Station Commentary"]

[Text] In the midst of the worst economic crisis since 1930, which is deeply affecting the Third World countries, Cuba established a new international economic order with the socialist countries that has allowed it to successfully continue its growth as is demonstrated by its increased overall social production. In our relations with the socialist countries we have achieved just and stable prices for our exports, and better offers for our imports. We are paid much more for our sugar, and oil is sold to us much cheaper in comparison with the current prices for these two products on the world market.

This has improved agricultural and industrial development, and especially social development. Cuba has achieved an average education of grade nine for its population, an infant mortality rate of only 15 for every 1000 live births, a life expectancy of almost 74 years, and 85 percent of its homes have electricity. Our achievements would not have been possible without these trade relations even under our just social regime with our equitable distribution of social wealth.

Last year the national economy grew by almost 7 and 1/2 percent, and work productivity grew by a little over 6 percent. While the joint economies of all the Latin American countries did not grow at all, Cuba's increased by 35.6 percent. During this same period of time, the GNP increased by 32 percent in Cuba while it dropped by almost 9 percent in the rest of Latin America.

Last year, while unemployment increased in the rest of Latin America, in Cuba 112,000 new jobs were created, and the people's income rose by 771 million pesos. That is approximately $800 million. Meanwhile, with the graduation this year of 2,500 medical students, the proportion of doctors to the general population will be 1:445. This year, despite the worsening of the crisis, Cuba's economy expanded by almost 5 percent during the first 6 months of the year. Fuel use was reduced by 10 percent, and sugar production was fulfilled 100 percent, as the planned harvest of 8 million tons was reached.

Although at the present time Cuba is suffering a very intense drought, the country's economic situation is very solid, as can be seen by the above data. We are the country in Latin America and the Caribbean that has least been affected by the crisis. This is why we can state that relations with the United States -- if ever established -- would no longer imply essential benefits. We would have to plan new products to export to the United States because everything we currently produce and everything we plan to produce within the next 5 years is already committed to other markets. We would have to withdraw our products from the socialist countries to sell them to the United States, which would not pay better prices; moreover, the socialist countries maintain better relations with Cuba than does the United States.

CRUDE OIL EXTRACTION FIGURES SHOW INCREASE

FL202122 Havana Domestic Service in Spanish 2137 GMT 20 Aug 85

[Text] During this year's first 6 months, over 400,000 tons of crude hydrocarbons were extracted in the country. This amount represents 7.4 percent over the same period in 1984. This is almost half the amount planned for this year, and is the result of joint efforts of professionals, technicians, and laborers who deal with oil activities in our country. The oil extracted during this year's first 6 months represents 27,700 more tons of hydrocarbons than the previous period, which shows the sector's growth. By the year 2,000 it should yield 2 million tons annually to our economy. Presently, there are 13 oil fields in Cuba. They are mainly located in the northern coast of Havana and near Varadero and Cardenas in Matanzas Province.

REPORTAGE ON 25TH ANNIVERSARY OF FMC FOUNDING

CTC Sends Greetings Message

FL210230 Havana Domestic Service in Spanish 1802 GMT 20 Aug 85

[Text] The message of greetings sent by the Central Organization of Cuban Trade Unions [CTC] to the Federation of Cuban Women [FMC] on the occasion of the 25th anniversary of its founding says: The constant admirable work of the FMC has made possible the development of all the capabilities of Cuban women.

The CTC stresses the effort made by the FMC to mobilize women to participate in the great revolutionary transformations of our society, and the awareness of women, the recognition of their identity, independence, and value as human beings. It also points to the 1.15 million women who are doing socially useful work, who represent more than 35 percent of the Cuban labor force. The message of the CTC adds that 55 percent of the technical work force consists of women and that their performance is decisive in numerous sectors.

Minint Holds Ceremony

FL220058 Havana Television Service in Spanish 0000 GMT 22 Aug 85

[Text] The Ministry of Interior [Minint] main ceremony marking the 25th anniversary of the founding of the Federation of Cuban Women [FMC] was held this afternoon with the presence of Division General Jose Abrahantes, Central Committee member and first vice minister of the Minint, other members of the high command, Minint leaders and officers, members of the National Secretariat of the FMC, and outstanding FMC members. In addition, Minint national vanguard workers and a delegation representing Soviet women that is in our country attended the ceremony.

[Begin recording of Minint Vice Minister German Barreiro] The FMC has represented in this way an important part of the combative union of the entire people. First, with regard to the Rebel Army, then the party, and always with regard to Fidel. [applause] [end recording]

FMC OFFICIALS ADDRESS SERVICE CALL-UP CEREMONY

FL210328 Havana Television Service in Spanish 0000 GMT 21 Aug 85

[Text] Lenin Hill, in the Havana municipality of Regla, was the site today of the ceremony of the fourth call-up for voluntary female military service in the 1st Antiaircraft Artillery Regiment. Norma Guevara, in the name of the female comrades, read the service oath, saying they will be exemplary soldiers of the socialist fatherland and faithful defenders of the revolution. Dora Carcano, secretary general of the Federation of Cuban Women [FMC], and other FMC leaders presided over the ceremony. Conchita Fernandez, member of the provincial committee of the FMC in Havana City Province, made the closing remarks.

POLITBURO MEMBER VISITS CRANE PLANT IN MOA

FL210304 Havana Domestic Service in Spanish 2300 GMT 20 Aug 85

[Text] Pedro Miret Prieto, member of the Politburo of party Central Committee; Marcos Portal, minister of basic industries; and other party and government leaders have paid a working visit to Moa. At the Ernesto Guevara plant, which is expected to be completed by 7 November 1985, the visitors observed the inauguration of the first gantry crane, which is a basic element in the production process of this country.

MINISTER ACCUSES BOSCH, MAJLUTA OF INTERFERENCE

FL211612 Santo Domingo Cadena Brea Pena in Spanish 0956 GMT 21 Aug 85

[Text] Former Presidents Juan Bosch and Jacobo Majluta were accused of inciting agricultural technicians to paralyze labor in agricultural regions. The charge was made by engineer Federico Cruz Dominguez, agriculture secretary, during a press conference held in Building B of that office. Cruz Dominguez charged that the actions of the country's associations of agricultural professionals in the country are politically motivated and behind them are former Presidents Bosch and Majluta.

Cruz Dominguez also said he will fire those who try to obstruct work in the Agricultural Secretariat and affirmed that under no circumstances would he allow production to drop. Referring to the claims made by the associations of agricultural professionals, the minister said: This is a movement with political connotations and is not indicative.

STATE OF EMERGENCY DECLARED FOR SUGAR INDUSTRY

FL211302 Bonaire Trans World Radio in English 1130 GMT 21 Aug 85

[Text] The Dominican Republic has declared the State Sugar Board in a state of emergency due to its shaky financial position. Industry sources say the board may close three mills in a crisis triggered by large cuts in the Dominican Republic's U.S. sugar quota. Sugar employs some 60,000 Dominican workers and is a mainstay of the country's economy.

REFORMIST PARTY ANNOUNCES DEPUTY NOMINATION

FL211804 Santo Domingo Cadena Brea Pena in Spanish 0946 GMT 21 Aug 85

[By Carlos Colporan]

[Text] Hundreds of activists, leaders, and Reformist Party officials announced last night the nomination for deputy for the mayor of Cambita Garabitos in Cristobal. The act supporting the legislative aspirations of Mr Julio Cesar Dominguez was held during a Reformist meeting in the Los Cacaos municipality. It was reported that this is the most significant support the nomination for deputy has received for the Reformist leader and mayor of the Cambita Garabitos. Activities of mid-level Reformist leaders have been concentrated in Los Cacaos. They said Julio Cesar Dominguez is the most suitable deputy nominee which the community can count on. They pointed out that his administration in Cambita Garabitos is one of the most positive of that municipality.

ANGUILLA

HOUSE OF ASSEMBLY SEEKS REVIEW OF CONSTITUTION

FL202129 Bridgetown CANA in English 2020 GMT 20 Aug 85

[Text] Valley, Anguilla, Aug 20, CANA -- The Anguilla House of Assembly has voted unanimously to request the British governor to appoint a committee to review the 1982 Constitution. The motion was introduced by Hubert Hughes, who Chief Minister Emile Gumbs sacked as finance minister six months ago.

In supporting the motion, Gumbs observed that changes in the Constitution were among the matters raised during his Anguilla National Alliance Party's campaign during general elections last year. Gumbs identified two matters he would like to see provided for in the Constitution -- equal rights for Anguillan women, and the provision of nationality for children of Anguillians born overseas.

Former Education Minister Albena Lake Hodge said the present Constitution lacked the involvement of the people, and noted that amendments to the Constitution had been the subject of much discussion by ministers in the Executive Council.

Attorney General Alan Hoole expressed the hope that when the committee is appointed members would undertake to explain the present Constitution to the population before undertaking the review, as he felt that the document was not fully understood by the people.

TOURISM REVENUE SURPASSES PROJECTIONS FOR YEAR

FL211350 Bridgetown CANA in English 2225 GMT 20 Aug 85

[Text] Valley, Anguilla, Aug 20, CANA -- Revenue collected from accommodation tax in Anguilla for the first half of 1985 has already surpassed projections for the entire year, and officials say this reflects the growing success of the local tourism industry. At the end of June, the figure reached EC386,000 dollars (one EC dollar: 37 U.S. cents), 86,000 more than that budgeted for 1985.

Government statistics show that in the first half of this year some 21,692 day-trippers visited the island as compared with 10,082 during the same period last year. With regard to longer-stay visitors, the figure is 8,289, well above the 5,169 for the first six months of 1984.

With a view to further controlling and monitoring the development of the tourist industry in Anguilla, the government has appointed a Tourism Policy Committee, comprising members of a wide cross section of the community, to review and update the island's tourism policy.

When this is completed, a tourism development plan covering the next five years will be implemented. The policy paper will be given wide publicity and will be available for the information of potential investors and the travel trade.

To improve low season occupancy, the Department of Tourism has embarked on a programme working closely with hotels, airlines, travel agents and tour operators to devise a marketing strategy to attract visitors.

DOMINICA

CHARLES MEETS WITH CHILEAN OFFICIAL ON OAS REPORT

FL211343 Bridgetown CANA in English 2209 GMT 20 Aug 85

[Text] Roseau, Dominica, Aug 20, CANA -- Chile, whose human rights record has been heavily criticised internationally, is seeking support from Dominica in its efforts to prevent the Organization of American States (OAS) from accepting a report on Santiago by the Inter-American Commission for Human rights.

The Director General of the Ministry of Foreign Affairs in Chile, Raul Schmidt Dussaillant, today held talks with Prime Minister Eugenia Charles on the issue. Chile is complaining that the commission, which is an arm of the OAS, was acting outside its powers in preparing the report, which is likely to be presented at a meeting of the permanent council of the OAS by month end. Diplomatic sources here say that Chile had already declined to accept the report. Chile, the sources say, is also seeking the opinion of the Inter-American Judicial Committee, which is the legal body of the OAS on the matter.

No formal statement was issued at the end of the brief talks between Dussaillant and Charles. Dominica and Chile do not have diplomatic relations.

GRENADA

BISHOP MURDER TRIAL POSTPONED FOR 2 WEEKS

FL211432 Bridgetown CANA in English 2235 GMT 20 Aug 85

[By George Worme]

[Text] St George's, Grenada, Aug 20, CANA -- Lawyers from both sides reported progress as they negotiated on the defence's access to jailed clients, but the Maurice Bishop murder trial suffered another setback today.

Chief Justice Sir Archibald Nedd, who postponed the start of the trial from August 8 to this morning to hear two defence motions, today announced a further two-week delay. Sir Archibald yesterday rejected one of the motions -- challenging the right to the High Court to try 19 former military and political figures for the murder of leftist Prime Minister Bishop and some members of his cabinet in a 1983 palace coup.

Today the lawyers agreed to negotiate on the second motion -- seeking better contact at the Richmond Hills prison between lawyers and the defendants and censure of Superintendent of Prisons Lionel Maloney. Legal sources said the negotiations could be finalized tonight.

The decision to negotiate was sanctioned by Chief Justice Nedd, after a team of Jamacian Lawyers retained by the state for 17 of 19 accused, agreed to a prosecution offer concerning the request for adequate time and facilities for the defendants to meet their lawyers within the next 12 days.

We want to demonstrate good faith to this court, the leader of the defence team, Howard Hamilton, said. We accept the invitation from the prosecution, and invite the court to adjourn the matter so the defence can meet with the prosecution, so we can reach agreement on a consensus order.

The ball is now back in (the prosecution's) court, since they have been accusing us of trying to delay the start of the proceedings, he added.

Within minutes of the adjournment, several members of the prosecution and defense team moved from the court to a nearby building for consultations. After nearly one hour of closed door discussions, Acting Director of Public Prosecutions Velma Hylton told the court that agreement was reached on some points, and further discussions were being held on others. Hylton, a Jamaican, indicated that an agreement was expected later today, suggesting in the meantime that hearing of the motion be adjourned until 1100 hours (local time) tomorrow, when the picture would be clearer.

Leader of the defence team, Queen's counsel Howard Hamilton, described the negotiations as fruitful and encouraging, although he said there were still rivers to cross. In addition, Hamilton suggested the court invoke special powers to allow the defence lawyers to enter the prisons tomorrow, before hearing of the motion resumed to brief their clients on the latest developments in the case.

Informed legal sources told CANA that arrangements have been made for a 0900 hours visit tomorrow.

Earlier in the court sitting, Hamilton said his team was interested not only in better access to the accused, but an improvement in their conditions and circumstances. He also rejected the prosecution's position that some of the materials included in the affidavits, sworn to by the defendants pertaining to the motion, should be dismissed on the grounds that they contained hearsay evidence.

I am submitting, My Lord, that what these objections (fron the prosecution) would attempt to do is cover up what is happening on the (Richmond) Hill so the world would not know, he remarked.

The Jamaican Queen's counsel also dismissed suggestions from the prosecution that motions brought by the defense lawyers in the last two weeks were merely aimed at causing a further delay in the trial. Hamilton said that while justice delayed was justice denied, justice hurried was justice defiled.

JAMAICA

MINING MINISTER SEEKS TAX INCENTIVES IN U.S. CBI

FL202135 Bridgetown CANA in English 2031 GMT 20 Aug 85

[Text] Kingston, Jamaica, Aug 20, CANA -- Jamaica's Minister of Mining, Energy and Tourism Senator Hugh Hart has called for additional tax incentives in the United States Caribbean Basin Initiative (CBI), which he described as falling short of its potential. Hart, speaking at a Rotary Club luncheon in New York, was quoted by the national news agency, JAMPRESS, as praising CBI as a bold step, but that the United States and Jamaica needed to cooperate in order to maximise its benefits. He said that while Jamaica had implemented significant tax incentives for foreign investors to complement CBI, the benefits were negated by American laws taxing American investors on their local profits. He asked for taxes that a U.S. investor would have paid in Jamaica on Jamaican source income, except for Jamaican Government benefits, be taken as credits against that investor's U.S. taxes.

NETHERLANDS ANTILLES

FL211427 Bonaire Trans World Radio in English 1130 GMT 21 Aug 85

[Text] The political leader of St Martin, one of the islands of the Netherland Antilles, says his island will secede from the Kingdom of the Netherlands if the austerity measures proposed by the Antillean Government are also introduced in St Martin. Mr Claude Wathey, says his island is considering nearby English-speaking islands. The Antillean Government is planning to cut wages by 10 percent, a measure that will be introduced in all six islands. Mr Wathey claims that the austerity measures are necessary because of Curacao's ailing economy and that St Martin should not be made to suffer for that.

ST VINCENT AND THE GRENADINES

REPORTAGE ON PRIME MINISTER'S EUROPEAN VISIT

Meetings in London, Zurich

FL211718 Bridgetown CANA in English 1647 GMT 21 Aug 85

[Text] Kingstown, St Vincent, Aug 21, CANA -- St Vincent and the Grenadines' Prime Minister James Mitchell has returned home after a 10-day trip to Britain, Switzerland and Canada. Mitchell, who described the tour as fruitful, visited London, Zurich Geneva and Montreal.

In London, he held discussions with British Foreign Officer Minister Baroness Young on problems facing Windward Islands' banana exports, especially the influx of Nicaraguan bananas on the U.K. market in the wake of the U.S. trade embargo on the leftist-ruled Central American state.

Mitchell said he also discussed with Baroness Young how a five million pound independence loan was to be disbursed -- an issue on which there has been differences between the two countries -- but he did not say if agreement was reached. There has been some misunderstanding of how these funds, offered at the country's attainment of independence in 1978, are to be disbursed. The former St Vincent Labour Party (SVLP) administration thought the money could be drawn down in lump sums for development purposes as government saw fit, but Britain insisted that it was to be drawn down based on project identification, appraisal and approval from London.

During his stay in Zurich, Mitchell and St Vincent and the Grenadines Honorary Consul Gloria Davy discussed the functioning of the country's trust service there, and took decisions related to the functioning of the service in Europe generally. He gave no details. Mitchell said Davy was in the process of establishing a consulate in Switzerland for St Vincent and the Grenadines. He said it would be at no cost to his government.

In Geneva, Mitchell looked at ways and means of improving St Vincent and the Grenadines maritime commission there, and also discussed the possibility of providing jobs for Vincentian seamen.

In Montreal, as in London, Mitchell met with members of the Vincentian community and brought them up to date on developments back home.

Discusses Further Loans From UK

FL211952 Bridgetown CANA in English 1923 21 Aug 85

[Text] Kingstown, St Vincent, Aug 21, CANA -- Prime Minister and Minister of Finance James Mitchell was due in Colombia today to lead a nine-member trade and investment mission on a one week visit, the prime ministers office announced. The mission will be discussing trade between Colombia and the Eastern Caribbean, as well as investment opportunities for Colombian industrialists in joint ventures with Vincentian businessmen.

The mission also includes Minister of State in the Ministry of Trade, Industry and Agriculture Herbert Young, Economist Gillian Nanton, Manager of the Development Corporation Jeffrey Providence, President of the Chamber of Industry and Commerce Richard Gunn, the chamber's immediate past President Arthur Connel, Fitz Richardson, a businessman who is on the board of the Development Corporation, building contractor Richard Joachim, a director of the state-owned National Commercial Bank (NCB) and Attorney General and Minister of Legal Affairs Emery Robertson.

Meanwhile, Mitchell, who has just completed trips to Britain, Switzerland and Canada, says the British Government has promised to give further consideration to a request from some of its former territories in the Eastern Caribbean to speed-up the disbursement of funds on Britain's independence gift-package to the now independent countries.

Prior to the independence of the former British associated states (St Vincent and the Grenadines, St Lucia, Dominica, Antigua and Barbuda, St Kitts and Nevis), Britain allocated each of them ten million pounds sterling -- five million as an outright grant and five million as loan funds. The loan portion was to become available only after the grant funds had been properly utilised.

Mitchell said a couple of the territories had already used up their grant funds, but that delivery of the loan funds was slow. He said the matter was raised last month in Castries when heads of government of the Organisation of Eastern Caribbean States (OECS) met with Britain's minister of overseas development, Timothy Raison. Mitchell said he impressed upon Raison then, the need to have better and proper disbursement of the money, so that funds could be allocated for projects. He said they also wanted to know what kind of projects qualified for funding under the loan funds.

Mitchell said during discussions in London a week ago with Baroness Young, a foreign office minister, he again raised the issue with a view to have the delivery process accelerated. He said Baroness Young promised that the British Government would examine the matter further. Mitchell said his government had already agreed to use funds from the independence-package loan to finance an east coast road project.

TRINIDAD AND TOBAGO

TRADE AGREEMENT REPORTED WITH JAMAICA

FL202114 Bridgetown CANA in English 1831 GMT 20 Aug 85

[By Debra Ransome]

[Text] Port-of-Spain, Trinidad, Aug 20, CANA -- Trinidad and Tobago and Jamaica are to sign a memorandum of understanding aimed at increasing trade, government sources said today.

The agreement, to be signed in Port-of-Spain within the next two weeks, is expected to lead to increased trade of up to U.S. 80 million dollars, the sources said.

It is expected that Jamaica's High Commissioner to Trinidad and Tobago Mrs Helen Bogle will sign on behalf of Kingston with Trinidad and Tobago represented by Reynold Rampersad, permanent secretary in industry ministry.

Bilateral talks between representatives of the public and private sectors from both countries last week were aimed at working out details of the government-to-government agreement. As a result, Trinidad and Tobago businessmen plan to mount a trade mission to Jamaica early next month to test the ground for exports, following assurances given by the Jamaican team headed by Director of Commerce Hugh Bonnick. One of the arrangements under the agreement is the facilitating of payment for goods from Trinidad and Tobago from the Jamaican Central Bank.

A release from the Trinidad and Tobago Manufacturers' Association (TTMA) said today that the agreement allows for the removal of this country's goods from Jamaica's schedule of payments. Under the schedule of payments, importers going to Jamaica's Central Bank receive the necessary funds in instalments. This applies to all goods from countries including those in the Caricom region.

One of the measures under the new agreement will be that the Bank of Jamaica will guarantee payment for a year for goods from Trinidad and Tobago of up to TT40 million dollars in value (one TT dollar: 41 U.S. cents).

Other arrangements mentioned by TTMA, which will organise the mission to Kingston to test out these assurances, is that the Jamaican private sector will undertake to assist Trinidad and Tobago exporters with any payment problems which may arise and which may be attributable to importers in Jamaica.

Bonnick said in a radio interview before leaving for home that Jamaica is interested in buying goods such as steel products, cold storage panelling, asphalt, acetylane and urea which Kingston currently buys from extra-regional sources. Latest available figures (up to September 1984) on trade between the two countries give Jamaica a TT49 million dollar trade surplus.

MINISTER REPORTS ON STATE-RUN INDUSTRIES' LOSSES

FL211450 Bonaire Trans World Radio in English 1130 GMT 21 Aug 85

[Text] State-owned industries in Trinidad and Tobago lost $185 million last year. State Enterprises Minister Ronald Williams says only 7 of the 64 government-held firms turned in a profit for a total of $80 million. Among the profitable industries were the National Commercial Bank, the National Gas Company, and the National Petroleum Company. The minister also said the Iron and Steel Corporation is Trinidad's biggest loser after 4 years in business. Unofficial reports put the company's losses at half-a-million dollars a day.

The Trinidad and Tobago Government has been trying unsuccessfully to get a foreign partner to bail out the company. Mr Williams also said that the country's largest sugar manufacturer lost $180 million dollars last year. He announced that the government is planning to diversify sugar growing by growing short-term food crops. The company would only produce sugar for domestic consumption.

HOYTE SAYS TALKS WITH PPP NOT PROGRESSED

FL202125 Bridgetown CANA in English 1718 GMT 20 Aug 85

[Text] Georgetown, Guyana, Aug 20, CANA -- Guyana's new President Desmond Hoyte says that talks with the opposition Marxist People's Progressive Party (PPP) on the possible formation of a broad-based government have not gone any great distance.

President Hoyte was speaking to local overseas delegates and observers from five Caribbean countries and from Europe and Asia at the Sophia Convention Centre in Georgetown, where the eight-day biennial congress of the ruling People's National Congress (PNC) is being held. He said the PNC remained committed to the idea of dialogue with the opposition. We hope that the PPP will recognise that the interests and welfare of the Guyanese masses, and the safety of our people will be best served by cooperation with us. Hoyte said the PNC is seeking to give the members of the PPP an opportunity and ample scope to play a substantial and meaningful role in a national life, and involve itself fully in the constructive work of developing our country.

President Hoyte said the ruling party will in the national interests...keep the door open for them to enter honourably into the arena of nation-building. He said if the PPP approached the talks in the interests of national interest, the outcome will be a success for us all. The PPP has long called for a national unity government to tackle Guyana's severe economic problems. Initial dialogue on the issue began before the death of President Forbes Burnham two weeks ago.

On another topic, Hoyte said there had been a welcome lowering of tension between Guyana and Venezuela, which claims nearly two-thirds of this country.

Said Hoyte: For years the claim by our neighbour, Venezuela, has diverted a great part of our energies and resources away from the development task. He said that relations had improved considerably between the two countries since President Jaime Luschinci came to power in Caracas. The Guyana leader noted that the secretary general of the United Nations is dealing with the border issue. We await the secretary general's determination and reiterate our commitment to full cooperation with him, Hoyte said.

PPP REPEATS CALL FOR BROAD-BASED GOVERNMENT

FL191558 Bridgetown CANA in English 1531 GMT 18 Aug 85

[Text] Beorgetown, Guyana, Aug 18, CANA -- The Marxist opposition People's Progressive Party (PPP) has repeated its call for formation of a broad-based government to run economically-troubled Guyana.

Opposition spokesman Reepu Daman Persaud gave a reminder of the PPP's stand on power-sharing with the ruling People's National Congress (PNC) when the National Assembly (Parliament) met last Friday. During the meeting, both government and opposition parliamentarians paid tribute to former President Forbes Burnham, who died earlier this month while undergoing surgery.

The PPP spokesman, calling for the establishment of a broad-based government, told the assembly that imperialism is at the door. He said all efforts must be made to ensure that imperialism does not get a stranglehold on Guyana. Both the PNC and the PPP usually refer to the United States as imperialism. A motion expressing profound grief at Burnham's death was unanimously passed at Friday's sitting.

HOYTE SETS UP BUSINESS, RELIGIOUS COMMITTEES

FL211859 Bridgetown CANA in English 1832 GMT 21 Aug 85

[Text] Georgetown, Guyana, Aug 21, CANA -- New President Desmond Hoyte has appointed two 15-member committees to advise him on the private sector and religious affairs. No reason was given for the appointments, but the International Monetary Fund and the United States have laid down increased involvement of the private sector in the economy as a condition for further aid. The socialist government has also been at loggerheads with religious denominations which have accused the administration of human rights violations.

President Hoyte has already held discussions with representatives of church groups and business organisations. He was due to meet this week with officials of the Trades Union Congress.

PNC COMMISSIONS TO EVALUATE MAJOR TASKS

FL211556 Georgetown Guyana Domestic Service in English 1000 GMT 21 Aug 85

[Text] Thirty commissions begin meeting this morning at two locations to discuss the two major presentations made at the sixth biennial congress of the People's National Congress. Today is the fourth day of congress.

The two presentations to be studied in the commissions are the keynote address delivered by party leader Comrade Hugh Desmond Hoyte and the report of the general secretary Comrade Ranji Chandisingh. The commissions will deliberate on specific themes within the two presentations and will elaborate on the themes, coming up with recommendations for implementing the tasks which lie ahead. The results of the commissions will be presented to a plenary session of the congress on Friday afternoon.

And today a series of work-site rallies will begin. Some of those rallies will begin at 10 o'clock this morning and others will be held at 2 o'clock this afternoon. The work site rallies will be addressed by overseas delegations observers. There are nearly two dozen overseas delegations attending the conference. The venues are: the YWCA, St Rose's High School, St (Stanislaus) College, St Mary's Primary School, the Ministry of Agriculture, (words indistinct), Guyana Pharmaceutical Corporation, (?United Textile Unlimited), [word indistinct], and [words indistinct].

Among those who will address the work site rallies are delegates from: Cuba, Poland, the Soviet Union, Yugoslavia, Suriname, the Palestine Liberation Organization, Zimbabwe, Jamaica, St Vincent and the Grenadines, the DPRK, Albania, and [words indistinct].